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FISCAL 1985 BUDGET PLAN FORMALLY APPROVED

OW291051 Tokyo KYODO in English 0931 GMT 29 Dec 84

[Text] Tokyo, Dec. 29 KYODO -- The government formally approved an austere fiscal 1985 national budget plan Saturday, calling for general-account outlays of 52,499.6 billion yen (210 billion dollars), up a mere 3.7 percent from the original fiscal 1984 budget.

National defense expenditures and economic cooperation outlays remained the only major items given large increases, to fulfill Japan's international commitments, officials said.

The budget plan, approved at a special Cabinet meeting, reflects the swelling burden of repayment and interest on national bonds, as the country's outstanding national bond balance is expected to total some 133 trillion yen at the end of fiscal 1985, ending in March 1986.

General expenditures -- total expenditures minus debt-servicing expenses and national tax revenue allocated to local governments -- accounted for 32,585 billion yen (130 billion dollars), down 336 million yen from the original 1984 budget, in the third straight yearly decline.

The fiscal 1985 budget provides 20,858 billion yen (83.4 billion dollars) for the fiscal loan and investment program, often called a "second budget," which declines 1.2 percent -- its first drop in 31 years, the officials said.

The cost of servicing the national debt jumped 11.7 percent to 10,224 billion yen, crossing the 10,000 billion-yen mark for the first time to pass social security as the largest expenditure item.

The social security outlays rose a mere 2.7 percent to 9,574 billion yen.

National defense spending, on the other hand, marked a 6.9 percent gain, compared with a 6.55 percent hike in the original 1984 budget, the officials said.

Defense expenses came to 3,137.1 billion yen (12.55 billion dollars), or 0.997 percent of the nation's estimated gross national product (GNP) for the next fiscal year.

This barely stays under a 1976 Cabinet decision to hold Japan's defense spending below 1 percent of GNP, and will probably become an issue in the Diet, which reconvenes in January, as salary increases proposed for military personnel in the next fiscal year could push defense spending past that limit.

The government has decided to introduce the "Patriot" surface-to-air missile system, replacing its aging "Nike-J" air defense missiles, at an estimated cost of 680 billion yen over six years, in current prices, with the total expected to reach 1 trillion yen if inflation is taken into account.

Japan will also purchase 14 F15 fighters, 10 P3C antisubmarine patrol planes and three destroyers in the next fiscal year.

Economic cooperation expenses will grow 7.8 percent, the largest rise in general expenditure items, to 586 billion yen (2.35 billion dollars).

Of economic cooperation outlays, Japan's official development assistance (ODA) to developing nations will leap 10 percent to 580.9 billion yen in a bid to fulfill the country's pledge to double ODA in the five-year period ending in fiscal 1985.

Japan will achieve 97.7 percent of that five-year target, with total disbursements projected at 2,431 billion yen, compared with the original goal of 2,849 billion yen, the officials said.

Prime Minister Yasuhiro Nakasone will visit the U.S. next week for talks with U.S. President Ronald Reagan, and big increases in both defense spending and foreign aid will be fully explained to the U.S. leader, they said.

The government has also decided to provide 10 billion yen for two "Shinkansen" super-express trunk railway lines: the Tohoku, which is to be extended past Morioka, Iwate Prefecture, and the Hokuriku, which is to run from Tokyo cross-country to the Japan Sea coast and thence back to Osaka.

The two lines were approved after strong pressure from the ruling Liberal-democratic Party, over the unceasing opposition of the Finance Ministry.

The government has also decided to establish a basic technology research promotion center next October for basic and applied research needed for Japan's development of high technology.

The nation will also increase its oil reserves by three million kiloliters in the next fiscal year to a total of 20.5 million kiloliters, equivalent to 35.7 days of consumption, at the end of the year.

It was also decided to establish a "gene bank" for collecting and storing gene resources of plants, animals and bacteria to meet an international "species war" in biotechnology fields.

Public works spending will decline for the second straight year, by 2.3 percent to 6,369 billion yen. However, the Finance Ministry has decided to transfer gasoline tax revenues of some 111 billion yen into the road maintenance special account and draw some 120 billion yen from the governmental trust fund bureau to, in effect, increase public works spending.

On the revenues side, the government estimates its tax revenues at 38,550 billion yen (154 billion dollars), up 11.4 percent from the previous year. The large increase is expected from new corporate tax revenues from the Nippon Telegraph and Telephone Public Corp. (NTT) and Japan Tobacco and Salt Public Corp., both of which are scheduled to become private next April.

The government is planning to issue new national bonds worth 11,680 billion yen, or 22.2 percent of the general account budget, down 2.8 percent from the original 1984 budget.

Finance Minister Noboru Takeshita told a press conference Saturday evening that of the 11,680 billion yen bonds, deficit-financing bonds will total 5,730 billion yen and construction bonds 5,950 billion yen.

Outline of Plan

OW291037 Tokyo KYODO in English 0839 GMT 29 Dec 84

[Text] Tokyo, Dec. 29 KYODO -- The outline of the 1985 national budget plan approved by the Cabinet Saturday is as follows (figures are in billions of yen and year-to-year percentage changes):

revenue

tax and stamp receipts	38,550	11.4
other revenues	2,269 (-)	32.3
national bonds	11,680 (-)	7.9
total	52,499	3.7

expenditure

national debt expenses	10,224	11.7
distribution of local allocation tax	9,690	9.0
general expenditures	32,585	0.0
total	52,499	3.7

breakdown of expenditure

social security expenses	9,574	2.7
expenses for education and science	4,841	0.2
national debt expenses	10,224	11.7
pensions and other expenses	1,864 (-)	1.2
local public finance	9,690	6.8
national defense expenses	3,137	6.9
public works expenses	6,208 (-)	1.7
disaster reconstruction expenses	161 (-)	21.8
economic cooperation expenses	586	7.8
expenses for measures for small business	216 (-)	5.7
expenses for energy measures	629	4.2
expenses for foodstuffs control	695 (-)	14.5
other expenses	4,324 (-)	1.0
reserves	350	0.0
total	52,499	3.7

fiscal investment and loan programs 20,858 (-) 1.2

'SUBSTANTIAL' INCREASE IN FISCAL 1985 ODA BUDGET

OW291033 Tokyo KYODO in English 0822 GMT 29 Dec 84

[Text] Tokyo, Dec. 29 KYODO -- The Japanese Government Saturday approved a fiscal official development assistance (ODA) budget of 581 billion yen (2.32 billion dollars) with emphasis on grant aid and technical cooperation.

The ODA total represents a 10 percent increase over the current fiscal year, and brings the total ODA in fiscal 1981-85 to about 2,430.7 billion yen (9.72 billion dollars).

Japan's five-year program aimed at doubling ODA over the previous five-year period is thus slightly short of its 2,488.8 billion-yen (9.95 billion dollar) target, a budget examiner in the Finance Ministry said. But a Foreign Ministry official hailed the "substantial increase" in Japan's ODA for the new fiscal year, beginning April 1, 1985, in the face of what he termed "the very tight fiscal situation." The official, Shoshichi Kowata, deputy director-general of the ministry's Economic Cooperation Bureau, pledged that Japan would work hard to attain "efficiency in ODA."

The new ODA program for fiscal 1985 includes 174.4 billion yen (697.6 million dollars) in grant aid, up 9.3 percent, and 109.6 billion yen (438.4 million dollars) in technical assistance, up 8.6 percent. It also features 95.5 billion yen (382 million dollars) in capital subscription payments and contributions to international financial institutions, up 1.7 percent, and 198.5 billion yen (794 million dollars) in subscriptions and sub-sides to the Overseas Economic Cooperation Fund, up 9.7 percent.

Foreign Minister Shintaro Abe told reporters after Friday's budget consultations with Finance Minister Noboru Takeshita that the fiscal 1985 ODA program was significant in that outlays for grants and technical cooperation would rise sharply. Grants and technical cooperation to famine-hit Africa would rise 8 billion yen (32 billion dollars) to an estimated 60 billion yen (240 million dollars) to alleviate economic difficulties, Kowata added. He also hinted that member countries of the Association of Southeast Asian Nations (ASEAN) would receive roughly one-third of Japan's ODA, reflecting the importance of the region to Japan.

The ruling Liberal-Democratic Party's Policy Research Council has this year begun to scrutinize the ODA budget to improve the efficiency with which it is used.

Kowata noted that Foreign Minister Abe has instructed ministry officials to complete a study on future ODA in time for an April meeting of the Organization for Economic Cooperation and Development (OECD) in France.

GOVERNMENT MAPS STRATEGY FOR LOS ANGELES SUMMIT

OW280835 Tokyo KYODO in English 0703 GMT 28 Dec 84

[Text] Tokyo, Dec. 28 KYODO -- Japanese Government officials have mapped out a four-point strategy for next week's Japan-U.S. summit in Los Angeles in which the two countries will discuss economic and trade priorities.

The strategy, a product of intragovernmental consultations, concerns macro economy, Japan's market-opening measures, a new round of multilateral trade negotiations and specific trade matters such as high technology and investment.

A key trade negotiator in the Japanese Foreign Ministry predicted that Prime Minister Yasuhiro Nakasone and Foreign Minister Shintaro Abe are prepared to discuss these outstanding problems with President Ronald Reagan and Secretary of State George Shultz in Los Angeles next Wednesday.

The Japanese and American leaders will discuss the strong dollar, high U.S. interest rates and budget deficit and Japan's skyrocketing trade surplus and an unusually high saving rate and other macro economic policies, the negotiator hinted. He also said the United States will press Japan to open its market still wider to imports and the leaders are also likely to take up high technology, investment, capital exchanges and services such as finance.

President Reagan and Prime Minister Nakasone are scheduled to reaffirm their support for a new round of multilateral trade negotiations to facilitate global commerce, said the negotiator who spoke on possible agenda of the meetings between Abe and Shultz, and between Reagan and Nakasone.

Speaking on the condition that he not be identified by name, the ministry official said Japan, if asked, would express readiness to resume joint ministerial trade talks on outstanding issues, suspended since the early 1970's. "It will be a one-time affair if it takes place at all," the official said. He also said such high-level consultations will not be held before the seven-nation economic summit in Bonn in early May.

The Japanese strategy for the Los Angeles talks was prepared against the backdrop of growing American frustrations with bulging trade imbalance and a vague consensus within the Japanese Government over limited effectiveness of its market-opening "package approach."

The Reagan administration appears anxious to see a clearcut direction within a year for a program to realize sustained economic growth without inflation, the Foreign Ministry official said.

Prime Minister Nakasone, the official said, would refer to the strong dollar, prospects of the U.S. economy and other U.S. fundamentals and voice Tokyo's expectations of American actions to remedy the problems where necessary.

Such expectations are not limited to Japan but are held by other countries such as Australia and New Zealand which Nakasone will visit in mid-January as part of an Oceanian trip.

JAPAN SEEKS CABINET-LEVEL TRADE TALKS WITH U.S.

OW281307 Tokyo KYODO in English 1238 GMT 28 Dec 84

[Text] Tokyo, Dec. 28 KYODO -- The government is considering reactivating the cabinet-level Japan-U.S. joint committee on trade and economic affairs, which has not met since 1973, in a bid to seek a comprehensive solution to economic frictions between the two countries.

Prime Minister Yasuhiro Nakasone will convey this idea to President Ronald Reagan when the two meet in Los Angeles on January 2, government sources said Friday.

The reactivation of the committee, they said, will probably be proposed as part of follow-up efforts to flesh out matters agreed upon at last January's summit. The joint committee, created by the late Prime Minister Hayato Ikeda and the late President John F. Kennedy, met nine times, the last session being in July 1973. High working-level consultations have taken place ever since.

The government thinks subjects to be taken up by the cabinet-level committee should not be confined to specific economic and trade issues that now constitute sore spots in the bilateral relations, the sources said. Rather, they said, the government wants the committee to hold comprehensive economic consultations covering cooperation in economic policies and management, and maintenance of a free trading system.

In particular, it is hoped the committee might provide a fresh breakthrough now that it is apparent that a series of market-opening packages worked out by the government has failed to silence complaints in the U.S. Administration and Congress.

The upcoming Japan-U.S. summit and the parallel talks between Foreign Minister Shintaro Abe and Secretary of State George Shultz are expected to focus on economic and trade problems between the two countries. Through these talks, the sources said, Japan wants to form a "common perception" with the U.S. regarding problems confronting the two nations.

Among those problems are Japan-U.S. cooperation in economic policies in the context of the U.S. budget deficit, the high exchange value of the dollar, and Japan's huge trade surplus. Also to be taken up are Japan's market-opening efforts, protectionist moves in the U.S., promotion of efforts for a new round of multilateral trade talks, and positive cooperation in the fields of high technology, investment, capital exchange and services, the sources said.

CPRF ISSUES MEMORANDUM ON RELATIONS WITH SOUTH

SK301010 Pyongyang Domestic Service in Korean 2100 GMT 27 Dec 84

[Memorandum issued on 27 December by the CPRF and the Consultative Council of Former South Korean Politicians in the North for the Promotion of Peaceful Reunification -- read by announcer]

[Text] Easing the tense situations and removing the danger of war on the Korean peninsula are the unanimous demand of the Korean people and the world's peace-loving people. However, running counter to the unanimous aspirations and desire of the people at home and abroad, a grave situation, in which the situation has been deliberately strained, North-South confrontation has been incited, and the provocation of a new war has been schemed has been constantly created in South Korea. Even after the time when our relief step for the South Korean flood victims was realized for the first time in the 40-year history of division and North-South dialogue was provided again, the U.S. imperialists and the South Korean puppet clique, which have spent days and months in kicking out powder-reeking war rackets while clamoring about the perfection of a war posture from the beginning of the year, have waged large-scale war drills, repeating war confabs every day, and, furthermore, have even perpetrated such an extreme grave military provocation as the shooting incident in Panmunjom.

As a result of this, the country's situation has been more acute and the hard-won atmosphere of detente has changed into an atmosphere of confrontation.

In retrospect, the United States and the South Korean persons in authority have never desired even for a moment the easing of tension through (?dialogue) and negotiations and sought only confrontation through armed forces and the policy of two Koreas behind the curtain of dialogue.

The CPRF and the Consultative Council of Former South Korean Politicians in the North for the Promotion of Peaceful Reunification issue the following memorandum to indict the crimes of the U.S. imperialists and the Chon Tu-hwan ring which have laid grave obstacles to the road of peace and peaceful reunification this year, straining the situation and running amok to provoke a new war in Korea:

1. The U.S. imperialists and the South Korean puppet clique have, above all, fanatically kicked up anticommunist and antirepublic rackets, have incited North-South confrontation, and have created a war atmosphere since the beginning of the year, making powder-reeking outcries of war.

When we, proceeding from a single aspiration to prevent the danger of war and open a new phase in easing tension and in achieving peaceful reunification, put forward an epochal proposal for tripartite talks at a joint meeting of the Central People's Committee and the SPA Standing Committee on 10 January, they openly challenged this, seeking war and confrontation.

In a speech delivered at an institute in San Francisco in May, U.S. Defense Secretary Weinberger openly declared that the United States would continuously support South Korea by stationing its strong forces on the Korean peninsula. In July, Livsey, commander of the U.S. forces occupying South Korea who assumed the position in June called for taking a full deterrent posture by modernizing equipment, by increasing combat capabilities, and by stockpiling more war supplies -- No. 2 radio of South Korean broadcasting system on 20 and 27 July.

In November, Walker, U.S. ambassador in South Korea, threw cold water over the atmosphere for dialogue, warning that too much expectation for North-South dialogue is taboo.

On 13 November, Livsey, commander of the U.S. Forces, also openly egged the South Korean puppets on to anticommunist confrontation and war of northward invasion, raving that U.S. support for the modernization of the puppet army will invariably continue.

Actively supporting the U.S. imperialists' policy of war, the South Korean puppet clique has taken every opportunity to make absurd remarks of inciting North-South confrontation and war. Since the beginning of the year, traitor Chon Tu-hwan has cried time and again for thoroughly stepping up war preparations, describing the next 4-5 years, and this year in particular, as the most dangerous period. When briefed on this year's work of the Emergency Planning Committee of the National Security Council on 29 February, he prattled that the consciousness of security should be implanted in the minds of the people all the time to counter a war, and that wartime administration should be assiduously conducted in close connection with military operations. At the puppet ministry of communications he babbled about an emergency measure to keep communications in preparation for wartime. At the puppet ministry of national defense, he raved about preparations to counter a war through an organic cooperation among the military, the Home Reserve Forces, and the Civil Defense Corps, and all organs -- No 2 radio of the South Korean broadcasting system on 8, 13, and 29 February 1984.

Availing themselves of all opportunities, such as report meetings on the security situation and meetings of the major military commanders, not to speak of Home Reserve Forces Day and Army Day, they have babbled about the nonexistent threat of southward invasion and have incited a war zeal while taking issue with us. Even at the time when the work of delivering our relief goods overflowing with sentiments of compatriotic love to the South Korean flood victims was being formally carried out they waged an anticommunist campaign and stirring up war zeal by using such words as "annihilation of communism," "retaliation," or "smash," maliciously slandering and throwing mud at us. Even now, when the second round of North-South economic talks and the eighth round of Red Cross talks are near at hand, traitor Chon Tu-hwan is running about the puppet army, air force, and naval units of the southern, western, and central parts of South Korea and whipping up a war atmosphere, saying that the rear should not be neglected because there would be no difference between the rear and the front in case of war -- No. 1 radio of the South Korean broadcasting system on 15, 19, and 20 December 1984.

This graphically confirms that, while babbling as if interested in the relaxation of tension and dialogue in Korea, the United States and the South Korean authorities are, indeed, trying to destroy the atmosphere of North-South dialogue by aggravating the situation, and are seeking anticommunist confrontation and war provocations.

2. The criminal maneuvers of the U.S. imperialists and the South Korean puppet clique to provoke a new war have found a clear expression in the repeated war confabs of brass hats, their inspection of the front, constant arms buildup, and the establishment of the wartime mobilization system.

This year the U.S. imperialist warmaniacs have more frequently flown over to South Korea and have held war confabs with the puppets. In January, 14 U.S. warmongers, including the chairman of the Defense Subcommittee of the U.S. House Committee on Appropriations, and the U.S. assistant secretary of state for international security crawled into South Korea, conspired with the puppets on the question of augmenting the combat capabilities of the U.S. troops occupying South Korea and the question of U.S. active support for South Korea. In February, the undersecretaries of the U.S. Army and Air Force crawled into South Korea and held confabs with the puppets over the question of increasing the combat capabilities of the puppet army and the question of strengthening the Air Force of the U.S. forces and the puppet armed forces -- No. 2 radio of the South Korean broadcasting system on 20 and 28 January and 13 February 1984 and the Munhwa Broadcasting Company of South Korea on 3 February 1984.

The fact that Wickham, U.S. Army chief of staff, came to South Korea twice, in March and in December, met the puppet leaders for war conferences, and visited the puppet army and the U.S. troops occupying South Korea shows well how busily the U.S. imperialists are moving about to accelerate preparations for a new war in Korea.

Last May, U.S. Defense Secretary Weinberger flew into South Korea and instigated the puppets for war; at the same time, the U.S. imperialists and the South Korean puppets held the Sixth Military Committee and the 16th Security Consultative Meeting in Seoul, reconfirmed the so-called security commitment of the United States to South Korea, and held a conference to discuss matters on strengthening the U.S. troops in South Korea and the puppet army, including additional supplies of such modern weapons as long-range cannons, antitank arms, and offensive helicopters and the establishment of joint systems of tactics and communications -- Voice of America, 8 May 1984; South Korean Radio 2; 7, 9 May 1984.

Also, the U.S. Pacific Fleet commander and other high ranking war merchants continuously came to South Korea, leading ships such as Blue Ridge, flagship of the U.S. 7th Fleet, and held specific operational conferences on the spot. During last November alone, the high-ranking working level operational staff of the U.S. military -- the U.S. Air Force chief of staff, the commander and the deputy commander of the U.S. Pacific Air Force, the deputy commander of the 22d Air Force, charged with the strategic air transport in time of emergency for the Korean front -- flew into South Korea officially or unofficially one after another and held a series of war conferences.

Meanwhile, the U.S. imperialists and the South Korean puppet clique have accelerated to the final stage their maneuvers for the formation of the triangular military alliance between the United States, Japan, and South Korea which they have long pursued. Puppet Chon Tu-hwan's Japan junket last September was part of the maneuvers to complete the triangular military alliance between the United States, Japan, and South Korea. In talks during his junket to Japan and in the joint statement announced at the end of the junket, the puppet traitor said that the stability of South Korea is essential to the stability of Northeast Asia, including Japan; discussed and agreed on close military ties between Seoul and Tokyo; finalized the system of military cooperation between South Korea and Japan, which is the final stage of the triangular military alliance; and provided the Japanese reactionaries with a road for military reinvasion.

Along with the war conferences with their U.S. and Japanese masters, the South Korean puppet persons in authority and military leaders held repetitive key commanders' meetings and war conferences, inspected Army units near the Military Demarcation Line [MDL], and checked on war preparation and readiness. They held a key sea commanders' meeting on 31 last January, a meeting of the operational staff and education officers of the Army on 1 February, a meeting of combat commanders of Navy and the Marine landing units on 3 February, a meeting of the heads of Air Force combat aviation units on 14 April, a meeting of the key commanders of the Air Force on 5 July; and, conducting a general review of the status of the preparations for a war of northward invasion, they discussed so-called measures to complete the combat readiness.

The Chon Tu-hwan ring held a key commanders' meeting of the puppet army, navy, and air force in Seoul on 11 December, designated 1985 as a year for maximizing combat capability, and raved that maximum effort should be made to build up combat capability and complete combat readiness for winning the war in its initial stage so as to punish and annihilate someone -- South Korean Radio 2, 11 December 1984.

The South Korean puppets annually inspected puppet army units on the front as well as in the rear to check the war preparations and readiness on the spot and to inspire war fever among the puppet army troops. On 17 and 20 February, the puppet defense minister visited the frontmost units of the puppet army, the puppet air force along the central front, and the puppet navy base on the western front, and raved that a complete counter-communist readiness and a complete alert posture should be established. On 16 and 21 March, traitor Chon Tu-hwan himself inspected puppet navy units along the southern coast and Army units along the central and western fronts, checked the combat readiness of the puppet army, and instigated a war of northward invasion -- South Korean Radio Seoul, 17 and 20 February 1984; South Korean Munhwa Radio 21 March 1984.

Chon Tu-hwan visited an Air Force base on the central front on 20 April and puppet army units in the central, western, and eastern parts of the MDL on 3 June; checked their war preparations; and visited the front units of the puppet army along the MDL on 3 and 10 November, when the atmosphere for dialogue between the North and South was being formed, and, raving about the threat of southward invasion, inspired war fever by saying that victory in war is decided within 3 days and that a strategic posture should be established on tank warfare.

In South Korea, even in December, the last month before the end of the year and the New Year's Day, the puppet president and all the cabinet ministers launched into visits to the puppet army units along the front and in the rear, inspiring military confrontation.

Also, the U.S. imperialists and the South Korean puppet clique indulged in building up arms and establishing a wartime mobilization system during the past year. In the security assistance plan for 1985 that it submitted to the Congress, the U.S. State Department [as heard] decided to provide \$3.2 billion for the joint production of 155-mm self-propelled guns, the introduction of F-16 fighters, and the establishment of a ground-to-air missile system during the so-called second stage modernization period for the South Korean puppet army, and this year handed over military equipment worth \$2 billion as sales and \$230 million as military aid to the South Korean puppets -- South Korean Radio 2; 3 March 1984.

The U.S. imperialists brought much military equipment into South Korea this year under a plan to supply the U.S. imperialist aggression troops in South Korea within 2 or 3 years with some 180 additional kinds of military equipment, such as 160-A tanks, revised Model 2 antitank missiles, Black Hawk helicopters, firing control radars, and various missiles and guns, and left and strategically deployed in South Korea considerable volume of the military equipment which they had brought in for the "Team Spirit-84" joint military exercise -- South Korean paper CHUNGANG ILBO, 7 February 1984; South Korean Munhwa Radio, 26 April, 16 May 1984.

They brought a number of F-4D phantoms, modern fighters, into South Korea on 16 January and handed them over to the puppet air force, and on 6 April, a U.S. Army cargo ship loaded with modern M-60 and A-3 tanks entered Pusan port -- South Korean Munhwa Radio, 6 April 1984.

The U.S. paper THE WASHINGTON POST dated 10 May 1984, in its report on the status of the U.S. imperialists' arms buildup, said that the U.S. Army in South Korea began to arm itself with modern long-ranged howitzers and that the combat capability of the Air Force was made greater with 72 F-16 fighters, 24 A-10 close-support fighters, new model AH-1 Cobra helicopters, and 100 Black Hawk helicopters.

In particular, the U.S. imperialists openly raved that they will provide South Korea with a more modern nuclear umbrella, and maneuvered to bring many additional nuclear warheads and nuclear-carrying means to South Korea where some 1,000 nuclear weapons have already been deployed.

On 10 July this year, the South Korean puppets also fabricated a law on the management of resources for use in an emergency, an unprecedented fascist wartime mobilization law in a bid to establish a durable wartime mobilization system in South Korea -- the South Korean Radio 1, on 10 July 1984.

This evil law is aimed at stepping up preparations for a new war by mobilizing all available human and material resources in South Korea and at strengthening the fascist suppression of the South Korean people. This law is also an evil wartime law surpassing the law on general mobilization fabricated by the Japanese imperialists in the past in a bid to force our people into the Japanese Army.

Through this evil law, the South Korean puppets are forcibly mobilizing all people in South Korea into the construction of various military facilities, air-raid shelters, and other military establishments. They are also stepping up exploitation of the people for securing such war supplies as ammunition, military items, food, and fuel.

3. This year, the U.S. imperialists and the South Korean puppet clique have more unscrupulously perpetrated war exercise rackets and military provocations against the northern half of the republic. The "Team Spirit-84" joint military exercise, staged for some 70 days from 1 February to mid-April, was the largest war exercise in history in terms of the number of troops participating and the nature of the exercise. This exercise was participated in by some 60,000 U.S. troops, including some 36,400 troops distanced from the U.S. mainland, Hawaii, and Okinawa; some 147,500 puppet army troops; and some 120,000 puppet homeland defense reserve troops -- totaling 300,000 troops. It was also participated in by various types of the latest airplanes, including B-52 strategic bombers and F-16 fighters capable of carrying nuclear weapons; the aircraft carrier Kitty Hawk; 1 aircraft carrier combat group; 1 amphibious task force fleet; 2 amphibious task groups; 1 sea mobile task unit; and various other naval ships -- South Korean Radio on 1 February 1984.

The "Team Spirit-84" joint military exercise, which was staged to test the U.S. imperialists' new offensive tactics and strategies, including the large-scale offensive exercise, the special forces exercise, the river-crossing operations exercise, and the air-drop exercise, was an open challenge to our peace-loving proposal for tripartite talks and a criminal act to provoke a new war in Korea.

Right after the "Team Spirit-84" exercise, a military exercise codenamed "Myolgong-84" was staged from 23 to 26 April with the participation of the puppet army, the puppet police, puppet government employees, civil defense corps members -- totaling some 3,500,000 -- many other people, and even the U.S. imperialist forces stationed in South Korea.

Earlier on 22 and 23 March, a war exercise codenamed "Eagle-84" was staged in Pusan with the participation of the puppet army and police, homeland defense reserve units members, and Civil Defense Corps members -- totaling 800,000 airplanes, and naval ships -- South Korean Munhwa Radio on 22 March 1984.

Also, during the period 18 to 23 August this year, a war exercise racket codenamed "Ulchi-84" was kicked off under the command of the U.S. imperialist forces in South Korea in a bid to examine the puppets; wartime mobilization system.

From 22 to 27 October this year, a large-scale war exercise codenamed "Ssangyong-84" was staged with the participation of homeland defense reserve units members, airplanes, tanks, armored vehicles and artillery units -- South Korean Radio 1 on 18 August and 22 October 1984.

Besides these military exercises, the puppets staged a winter field exercise in January and February to promote the capability of the winter season mountain operations of the puppet army. In March and April this year, the puppets staged various types of amphibious exercises, river-crossing exercises, and aerial operation exercises. In June and July, the puppets staged a joint military exercise of the ground forces of the puppet army, a combined naval mobile training, a combined Air Force training exercise, and an operational exercise codenamed "Mylgong-84" in South Kyongsang province. In September and October they staged a demonstration exercise of breaking through obstacles in a puppet army unit and a coastal security exercise in a puppet navy unit.

As was exposed by the Austrian paper (ZIALZU BULUGEL TABUPULTA) dated 2 March, the U.S. imperialists have dragged more than 50 neutron weapons in to South Korea. According to testimony last June by La Rocque, director of the U.S. National Center for Defense Information, the United States this year began to produce neutron bombs which can be fitted on the 8-inch howitzers of the U.S. artillery units deployed in South Korea.

The U.S. imperialists have also accelerated dragging into South Korea B-52 strategic bombers deployed at Andersen base on Guam. They have schemed to drag into South Korea such intermediate-range nuclear missiles as cruise missiles and Pershing II missiles.

On the other hand, in 1984 the South Korean puppet clique, which has sharply increased its military spending annually under the manipulation of the U.S. imperialists, earmarked 3,451.6 billion won, \$4,336.5 million, or 34.2 percent of its total expenditures for direct military expenditure. The puppet clique has spent this huge amount of military expenditure in reinforcing the puppet army, in dragging in new military equipment, and in building and expanding military bases, including nuclear bases.

The U.S. imperialists and the South Korean puppet clique have also concentrated great efforts on reinforcing the military strength of the U.S. imperialist aggression forces in South Korea and the puppet army and on modernizing the Homeland Defense Reserve Corps, the Student Defense Corps, and the civil defense units.

The U.S. imperialists have increased the number of the U.S. imperialist forces stationed in South Korea from 39,000 as of September 1982 to 41,079 in March 1983. Following this, they announced that they will add an additional 2,500 by 1985 -- South Korean Radio 2; 24 May 1984 and the South Korean SEOUL SINMUN; 25 May 1984.

On 17 September this year, the U.S. imperialists reorganized the Pusan Garrison Command under the U.S. forces in South Korea into the 34th Support Group in an effort to strengthen the combat readiness of the U.S. imperialist forces stationed in South Korea. Besides this, the U.S. imperialists are scheming to reorganize a light infantry division composed of 19,000 troops, talking about the need for so-called strategic mobility.

At the end of 1980, the puppet clique revised the military service law to lower the age limit of military conscription for the puppet army. Since April 1981, the puppet clique has enforced the so-called volunteer system to drag into the puppet army even those youths who are under the age for military conscription. Thus, the puppets have expanded the scope of forcibly mobilizing youths into the puppet army.

Recently, the puppet clique revived the military service law again to alleviate the standard of physical examinations. It has thereby been able to drag more youths into the puppet army. As a result of this, the size of the puppet army has increased from some 700,000 to 1 million during recent years.

On the other hand, while clamoring about reinforcement of the puppet army, the puppet clique has established and implemented the so-called 5-year plan for the modernization of the puppet army since 1983. Under this plan, the puppets have sharply reduced the number of administrative and management personnel at all military units and sent them to combat units as combat personnel. They have also transferred the money used in maintaining administrative and management personnel to the purchase of new weapons.

Along with this, after having completed the reinforcement of the homeland defense reserve units and the modernization of their equipment and weapons the puppets have concentrated major efforts on further modernizing their mobility and arms this year. The puppets have announced that they will select about 500,000 of the total 4,400,000 civil defense members, and organize them into an elite unit within this year for use in case of emergency with the aim of making the civil defense corps an elite corps -- The South Korean radio 1; on 18 March 1984.

Along with this South Korean puppets have deployed the puppet army units in the areas close to the frontline sectors near the Military Demarcation Line in accordance with the directives of the U.S. imperialists. Thus, they have stepped up the establishment of their wartime mobilization posture system.

The U.S. imperialists and the South Korean war maniacs staged war exercises much more frequently last November, when North-South dialogue was held in a full-fledged manner. The "Eagle-84" war exercise, a preliminary exercise designed to send a suicide unit to the northern half of the republic, was staged from 5 to 20 November: From 5 to 10 November, an integrated large-scale aerial exercise called "Cope Jade" was conducted, mobilizing more than 1,100 planes, including more than 230 aircraft of the U.S. imperialist aggressive forces. From 7 to 13 November, the U.S. forces and puppet troops staged a joint amphibious exercise called "Ssangyong-26" in the seas north of Pohang. Beginning on 14 November, they staged a joint amphibious exercise called "Ssangyong-27" along the western coast. At the same time, the puppet clique has continuously staged such provocative war exercises as the civil air drill that it conducted throughout South Korea on 17 December. It has also daily staged the war exercises involving irregular forces, such as the Student Defense Corps, the homeland defense reservist forces, and the militia. These war exercise rackets much more clearly show the bellicose nature of the U.S. imperialists and the treacherous Chon Tu-hwan group, a ring of their stooges.

While staging war exercises frantically, the U.S. imperialists and the South Korean puppet clique have committed military provocations against the northern half of the republic more wickedly than ever before to light the fuse of war. Since the beginning of the year, the U.S. imperialist aggressors have committed grave military provocations by carrying out espionage activities through repeatedly infiltrating SR-71 spy planes deep into the territorial skies of the northern half of the republic. At 0913 on 22 February, when the 424th MAC meeting was being held, they committed a hostile act by infiltrating two F-86 fighters into the sky over our side south of Pyongyang, in the central sector of the frontline. On the other hand, the South Korean puppet clique committed military provocations on 25 March by infiltrating naval vessels into a spot at latitude 37 degrees 39 seconds north and longitude 125 degrees 30 seconds east.

The U.S. imperialists and the South Korean puppet clique have continuously touched off provocative firing incidents against our side in the Demilitarized Zone of the Military Demarcation Line. On 26 June this year, South Korean puppet troops gravely threatened the personal safety of personnel at our side's outpost by firing hundreds of rounds of bullets from large-caliber machine guns and automatic weapons at our side's outpost in the Demilitarized Zone southeast of Kkachi Hill in the eastern sector of the frontline. On 21 July, South Korean puppet troops committed military provocations by firing scores of rounds from automatic weapons from a spot 550 meters southeast of Military Demarcation Line marker 0403 at our side's outpost situated opposite this spot.

In particular, U.S. imperialist aggressive forces and South Korean puppet troops touched off a very grave provocative firing incident in the MAC conference room area in Panmunjom on 23 November by firing hundreds of bullets and grenades, using M-16 automatic rifles, machine guns, and even grenade-launchers, bestially murdering three of our side's security personnel and seriously wounding one; those killed and wounded were performing a routine mission.

Their touching off of such a grave firing incident at a time when peaceful talks were being held in succession between the North and the South following the successful carrying out of the historic delivery of relief goods to the flood-stricken people in South Korea, based on our love for the fellow countrymen, once again clearly shows how indiscreetly they have run wild to provoke a new war in Korea by willfully heightening tension.

Despite the fact that they were denounced strongly at home and abroad because of these willful and criminal provocations, they carried out espionage activities by infiltrating SR-71 high-speed, high-altitude reconnaissance planes deep into the territorial skies of the northern half of the republic on 11 occasions following the Panmunjom firing incident, as of 15 December.

Because of the daily intensified maneuvers of the U.S. imperialists and their stooges for aggression and war, the situation on the Korean peninsula has become much more acute, and grave obstacles have been laid to the future path of peace and peaceful reunification. Facts show that tripartite talks should be held among us, the United States, and South Korea at the earliest possible date so that we can alleviate tension in Korea, guarantee peace, and expedite the country's peaceful reunification.

War and peace and confrontation and dialogue can never be compatible. The people demand not war but peace, not confrontation between the North and the South but unity, and not division but reunification.

The United States and the South Korean authorities must immediately stop maneuvers for aggression and war against the northern half of the republic. The struggle of our people to prevent the danger of war on the Korean peninsula, to guarantee peace, and to achieve the country's independent and peaceful reunification is just. We firmly believe that the virtuous people of the world who value peace will denounce the maneuvers of the U.S. imperialists and the South Korean puppets for aggression and war and will continuously extend firm solidarity with the just cause of our people to achieve peace and the peaceful reunification of the country.

Pyongyang, 27 December 1984

CHON'S FLATTERY OF U.S. FORCES IN SOUTH DECRIED

SK301003 Pyongyang Domestic Service in Korean 0950 GMT 28 Dec 84

[NODONG SINMUN 28 December commentary: "Stooge's Mean Flattery"]

[Text] Puppet Chon Tu-hwan continuously shows his mean character as the U.S. imperialists' colonial stooge. According to reports, in his recent so-called Christmas message to the U.S. imperialists forces occupying South Korea, the puppet babbled that the U.S. forces have contributed to the deterrence of war and the maintenance of peace on the Korean peninsula. Several days prior to this, he also said that at headquarters of the field armies of the U.S. forces and the puppet army.

His sending of a congratulatory message to the forces of aggression, while maintaining them in the country, is a traitorous act. Moreover, the words enumerated in this message again clearly shows the puppet clique's ugly face as a dirty pro-U.S. toadyist nation-seller.

As is known, the U.S. forces are occupation forces stationed in South Korea for the purposes of aggression and war. The U.S. imperialists maintain their large-scale occupation forces units in South Korea to provide a new war there and to invade the northern half of the republic and other countries.

Wickham, the U.S. Army chief of staff, who had recently sneaked into South Korea, did not conceal his intention of stepping up war preparations by saying that he would make his utmost efforts to improve the combat capability of the U.S. forces in South Korea. On the other hand, the U.S. imperialists have massed such large-scale occupation forces as nuclear weapons in units in South Korea and its neighboring areas and continuously conducted large-scale war exercises of attack operations against us. This clearly shows that the U.S. imperialists attempt to provoke a new war -- a nuclear war in particular -- using South Korea as a front base.

All that the U.S. imperialist occupation forces did in South Korea, if anything is that they violated our people's right of independence and caused a dangerous situation in which a war may break out at any moment. This has nothing to do with the deterrence of war and maintenance of peace.

The U.S. imperialists' occupation of South Korea and their policy of aggression forced us to suffer a round of war and is now causing us to face another grave threat of war. Babbling about the occupation forces as deterrence forces of war and protectors of peace, while siding with them, is a trick that such dirty toadyist nation-sellers as Chon Tu-hwan, who seeks an extended reign in office by keeping the U.S. imperialist forces of aggression forever and clinging to the hem of their dress, can devise. Moreover, what rouses soaring indignation is that puppet Chon Tu-hwan babbled about the efficiency of the combined system of the U.S. forces and the puppet army even after he provoked a shooting incident at Panuunjom, murdering the compatriots.

The puppet's gibberish, implying that he will continuously evoke such an armed provocation together with the U.S. imperialists' occupation forces, can never be forgiven. The puppet clique tries to soothe the South Korean people's anti-U.S. sentiment, to keep the U.S. forces forever, and to accelerate its preparations for a war of northward invasion with the support of the U.S. forces by praising the role of the U.S. forces occupying South Korea. The South Korean puppet clique, which seeks survival in seeking North-South confrontation under the protection of outside forces against the inspiration of the nation, will never escape denunciation from home and abroad.

KIM IL-SONG RECEIVES CHINESE YOUTH DELEGATION

SK291031 Pyongyang KCNA in English 1014 GMT 29 Dec 84

[Text] Pyongyang December 29 (KCNA) -- The great leader President Kim Il-song on December 29 received the delegation of the Communist Youth League of China headed by Hu Jintao, first secretary of the Central Committee of the Communist Youth League of China, on a visit to our country. On hand were Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea; Hyon Chun-kuk, first vice-director of a department of the WPK Central Committee; and Yi Yong-su, chairman of the Central Committee of the League of Socialist Working Youth. Also present was Zong Kewen, Chinese ambassador to Korea.

President Kim Il-song had a conversation with the guests in a cordial and friendly atmosphere. The guests presented a gift to President Kim Il-song.

KIM YONG-NAM-LED GROUP CONTINUES IRAN VISIT

Talks With Velayati

SK290050 Pyongyang KCNA in English 2337 GMT 28 Dec 84

[Text] Pyongyang December 29 (KCNA) -- Talks were held Thursday in Tehran between the Korean government delegation headed by Vice-Premier and Foreign Minister Kim Yong-nam and the Iranian government delegation headed by Foreign Minister 'Ali Akbar Velayati. Present at the talks were the members of the delegation and the Korean ambassador to Iran on our side and a vice foreign minister and department directors of the Iranian Foreign Ministry and the Iranian ambassador to Korea on the Iranian side.

The two sides exchanged views on boosting the friendly and cooperative relations between the two countries, realizing South-South cooperation and a series of other international issues of common concern. They reached an identity of views on the matters discussed. The talks passed in friendly atmosphere.

President Receives Kim

SK290352 Pyongyang KCNA in English 0337 GMT 29 Dec 84

[Text] Pyongyang December 29 (KCNA) -- President of the Islamic Republic of Iran Seyyed 'Ali Khamene'i met the Korean government delegation headed by Vice-Premier and Foreign Minister Kim Yong-nam Thursday. The head of the delegation conveyed the cordial regards of President Kim Il-song to President Khamene'i. Khamene'i expressed deep thanks for this and asked Kim Yong-nam to convey his sincere greetings to President Kim Il-song.

The Iranian president said: I know well about the wise leadership of the great leader His Excellency President Kim Il-song and the Korean people's struggle. The Korean people are fighting heroically maintaining their firm stand against imperialism. The Iranian people have good feelings towards the Korean people.

Khamene'i emphasized the need to steadily strengthen and develop the friendly and cooperative relations between Iran and Korea.

REPORT ON PROVINCIAL PARTY PLENARY MEETINGS

SK281248 Pyongyang Domestic Service in Korean 2200 GMT 25 Dec 84

[Text] Plenary meetings of party committees of provinces and directly-administered cities were held recently to carry out the decision of the 10th plenum of the sixth party Central Committee. Present at the plenary meetings were the members and candidate members of the party committees of provinces and directly-administered cities. Also present at the plenary meetings were members of the party auditing committees of provinces and directly-administered cities. Present at the plenary meetings in the audience were party, administrative, and economic functionaries of (?county level) organizations of provinces, directly-administered cities, cities, and districts and of important plants, enterprises, and cooperative farms.

At the plenary meetings of the party committees of provinces and directly-administered cities, matters to thoroughly carry out the decision of the 10th Plenum of the Sixth WPK Central Committee "On the Economic Development Plan for 1985" were discussed. Following the report at the plenary meetings, subcommittee meetings were held to implement the people's economic plan for 1985 and discussions took place.

The plenary meetings noted that great success has been attained in all sectors of the people's economy this year in occupying the heights of the Second 7-Year Plan and realizing the 10 major prospective targets of the socialist economic construction of the 1980's by vigorously accelerating production and construction in the spirit of Chollima to which the "speed of the eighties" is added.

The plenary meetings noted that major efforts have been made in the extraction industry sector this year in Komdok, Musan, Anju, Hyesan districts, and others, scoring a great advance in opening a breakthrough to effect a new upsurge in socialist economic construction; that a vigorous struggle has been waged to occupy the 10 million-ton grain height, reaping an unprecedented bumper crop; and that a vigorous struggle has been waged to bring about the light industrial revolution and the services revolution, providing a former base to drastically improve the people's living.

The plenary meetings consistently noted that such success attained in carrying out this year's economic task is totally attributable to the wise leadership of the great leader Comrade Kim Il-song and the energetic guidance of the party center.

The plenary meetings noted that successfully carrying out the people's economic plan for 1985 is of great significance in glorifying the upcoming significant year when the 40th anniversary of the liberation of the fatherland and the 40th anniversary of the founding of our party are to be celebrated with a proud victory of socialist construction, to further solidify the base of our country's self-reliant national economy by effecting a new upsurge in economic construction, and to attain the grand prospective targets of the 1980's ahead of schedule.

The great leader Comrade Kim Il-song has taught: All functionaries of our state economic organizations and workers should have firm faith and courage and launch into a struggle as one person to carry out the new prospective tasks of socialist economic construction, and effect a new great upsurge in socialist economic construction by thoroughly mobilizing all reserves and potentials.

The plenary meetings noted that, as indicated in the decision of the 10th plenum of the sixth party Central Committee, the central task of the people's economic plan for 1985 is to give priority to the extraction industry and railroad transport and to further boost the metal industry so as to effect a new upsurge in socialist economic construction and drastically enhance the people's living, and the meetings discussed their specific measures and methods.

The plenary meetings noted that the most important task of socialist economic construction at present is to develop the coal industry rapidly and to increase coal production drastically. The plenary meetings of the party committees of South Pyongan Province, Pyongyang city, North Pyongan Province, and other provinces and directly-administered cities noted that efforts should be concentrated on the large-scale coal mines in the western districts, including Anju, Sinchon, and Kangdong districts, which have large coal deposits and whose mining conditions are favorable, and on the coal mines in the northern districts, thereby increasing production; that new coal mines and small and medium coal mines should be extensively developed, thereby increasing production capacity; and that a vigorous struggle should be waged to actively develop and utilize low-calorie coal and [word indistinct] anthracite.

The plenary meetings noted that major efforts should be made at the Komdok mining complex and the copper mines in Yanggang Province to drastically increase the production of nonferrous metals, that the existing bases for processing nonferrous metals should be repaired and augmented to boost the rate of their utility to the maximum degree, and that new bases for the production of processed nonferrous metal products should be firmly managed.

The plenary meetings noted that, in order to develop the extraction industry rapidly, geological surveys, stripping, tunneling, and the construction of pits should be carried out with priority and that tunneling equipment should be made larger, modernized, and should be capable of performing at a higher speed so as to thoroughly carry out the party's demand for mining, transport, and processing in larger quantities.

The plenary meetings noted that, in order to satisfactorily meet the demand for electricity, which is increasing daily, the existing power plants should be utilized to their maximum capacity to produce more electricity, and by rapidly completing the on-going construction of the thermal and hydroelectric power plants and the small and medium size power plants, the production of electricity should be increased continuously and all sectors should wage a vigorous struggle to save electricity.

The plenary meetings of the party committees of the provinces and directly-administered cities, including Chongjin, North Hamgyong Province, North Hwanghae Province, and Nampo city, stressed that the independence and self-reliance of the (?black) metallurgic industry should be further strengthened; that the existing iron and steel manufacturing and rolling facilities should be utilized to the maximum degree to : increase the production of steel materials drastically; and that the bases of iron ore production, including Musan mine, Unyul mine, and (Tokhaeng) mine, and their fuel bases should be firmly managed to guarantee the supply of the good quality materials and fuel.

The plenary meetings noted that the facilities at machinery plants, which are falling apart, should be fixed; that their production processes should be modernized; and that the rolled steel materials and other materials and (?parts) should be well supplied so that they can responsibly produce and supply the modern machines and equipment necessary for the extraction industry, railroad transport, and the metal industry as well as the facilities and equipment for basic construction.

The plenary meetings noted that chemical plants should repair their facilities in a timely and efficient manner and thoroughly establish measures for the supply of raw materials and fuel; that they should increase the production of chemical textiles, synthetic resins, and various chemical fertilizers; and that they should effect innovations in the production of the basic chemical products, paper, and rubber products. The plenary meetings stressed that the policy of the light industrial revolution and the services revolution put forward by the party should be thoroughly carried out to effect a new turn in the people's living next year.

The plenary meetings noted that the existing light industrial plants should be kept at full operation to drastically increase the production of fabrics, clothing, footwear, oil, sweets, and soft drinks. The plenary meetings stressed that plants and enterprises should increase the number of work places and work teams for the production of daily consumer goods in order to increase the production of the necessities of life, and that home-work teams and home-work groups should be established in greater number everywhere, such as in cities, counties, worker districts and cooperative farms, and home services work should be extensively developed so that the people's demand for daily consumer goods and other necessities of life can be better met.

The plenary meetings of party committees of provinces and directly administered cities, including South Hamgyong and Kangwon Provinces stressed that developing the fishery industry is one of the best methods for improving the people's diet. The meeting stressed the need to make the most of the existing fishing boats and establish a scientific production command system, thereby actively increasing fishery production, doing a good job in processing fishery products, and exerting efforts to wage the present battles for wintertime fishing.

The plenary meetings stressed the need to thoroughly implement the chuche farming method, in particular, meticulously make preparations for next year's farming, and vigorously accelerate tideland reclamation and construction of (?inner networks) in order to correctly analyze and sum up the experiences in achieving bumper crops in this year's farming under the wise leadership of the party and to bring about upsurges in agricultural production again next year, a meaningful year in which we will mark the 40th anniversary of the fatherland's liberation and the 40th anniversary of the party founding.

The plenary meetings emphasized the need to make the most of the already-provided railway transport capacity by actively giving a helping hand to railways as an all-people's movement in order to give high priority to railway transport and smoothly meet the increasing demand for transport in the people's economy.

The plenary meetings stressed that all sectors and all units should supply raw materials, materials, and cooperative products necessary for production of export goods first, and fulfill monthly, quarterly, and index-by-index export goals without fail in order to further expand and develop foreign trade.

The plenary meetings emphatically stressed the need to further improve socialist economic management and fulfill, with certainty, the plans for the people's economy next year in every month and every quarter, from the first month.

The plenary meeting pointed out that doing a good job in materials supply work, cooperative production organization, and transport organization work is a basic key to normalizing production at a high level and successfully implementing plans for the people's economy, and an important task which should be adhered to in improving socialist economic management. The plenary meetings emphasized that the plants and enterprises should secure materials reserves and give priority to cooperative products and should meticulously preplan and supervise transport organization work so that these plants and enterprises can transport raw materials, materials, and facilities on a timely basis as soon as they are produced.

The plenary meetings stressed the need to establish a strict discipline of thoroughly setting up the materials supply system in compliance with the Taean work system, (?giving priority to) the sectors of the mining industry, railway transport, the metal industry, and the people's living, and supplying materials in accordance with plans and contracts.

The plenary meetings stressed the need to further increase the workers' enthusiasm for production by correctly putting into practice the independent economic accounting system, the work team bonus system, and the sub-workteam management system at the state-run enterprises and cooperative farms.

The plenary meetings stressed the need to vigorously wage the struggle to get rid of waste, economize, increase production, and search out and mobilize inner reserves to the maximum, while meticulously managing state affairs. The plenary meetings urged all sectors and all units of the people's economy to further lower the standard of materials consumption per unit of product by actively economizing on raw materials and materials, including electricity and coal, and widely waging the technological innovation movement.

The plenary meetings emphatically stressed the need to further step up party guidance over the fulfillment of the plans for the people's economy. The plenary meetings urged the party organizations to preplan and supervise organizational and political work, so that they can explain and inculcate deeply in the party members and working people the party's decisions and directives concerning the fulfillment of the 1985 plans for the people's economy, and the improvement of guidance and management of socialist economic construction, and help the party members and working people unconditionally implement the party decisions and directives to the end.

The plenary meetings pointed out that the party organizations should help all functionaries thoroughly embody the Chongsan-ri spirit and Chongsan-ri method, always mingle deeply with the masses, give priority to the political work, and arouse the masses' revolutionary zeal and creative positiveness, and that the party organizations should help all functionaries vigorously wage the struggle to create the "speed of the eighties" in all sectors and all units, while linking the struggle closely with the movement to win the red flag of the three revolutions and the movement to emulate the unsung heroes.

The plenary meetings expressed the firm belief that all party members and working people will brilliantly fulfill the plans for the people's economy for 1985 and effect a new turn in socialist construction by vigorously marching forward, firmly rallying around the great leader and the party.

The plenary meetings of the party committees of each province and directly administered city adopted relevant decisions.

DRIVE CONTINUES TO INCREASE COAL PRODUCTION

SK290447 Pyongyang KCNA in English 0414 GMT 29 Dec 84

[Text] Pyongyang December 28 (KCNA) -- A vigorous drive is going on to increase the production capacity at coal mine in all parts of Korea. The 10th Plenary Meeting of the 6th Central Committee of the Workers' Party of Korea which was held some time ago put forward a task to concentrate efforts on coal mines with rich deposits and favorable mining conditions in Anju, Sunchon and Kangdong Districts and other large coal mines in the western area and those in the northern area.

The Anju district coal mining complex is carrying on the construction of new pits on a large scale. The construction of five pits has already been completed to produce yearly 2.5 million tons of coal. The complex will build some 20 pits with a total production capacity of 17 million tons within a few years to come. It turns out only in 20 days as much coal as was produced in the one year of 1957. The annual coal production will rise to 70-100 million tons in this area.

The Sinchang coal mine is vigorously pushing ahead with the building of five large cutting faces and the Chonsong youth coal mine is also expanding pits and increasing the number of cutting faces. Having built several cutting faces, the February 8 Chikdong youth coal mine is propelling forward the construction of large-scale 5,800 metre-long belt conveyer transport line.

A vigorous drive is progressing apace at coal mines in the Kangdong District to develop new coal mines. Having set themselves the goal to double the coal production capacity next year, they are successfully accelerating the construction of more than 10 pits.

The coal mines in the northern area set themselves the goal of creating modern and large-scale cutting faces till March next year to increase the coal production capacity over 1.2 times.

Large numbers of minor coal mines have been built this year with the material and technical assistance of large coal mines.

FURTHER ON DECISION TO RECALL ENVOY TO FRANCE

SK290323 Seoul YONHAP in English 0302 GMT 29 Dec 84

[Text] Seoul, Dec. 29 (OANA-YONHAP) -- In a bold expression of its "extreme displeasure" with the French Government's recent elevation of the North Korean Mission in Paris to the status of general delegation, South Korea has recalled its ambassador to France, Yun Sok-hun, and postponed indefinitely the scheduled visit to Seoul by French Foreign Trade Minister Edith Cresson.

Foreign Minister Yi Won-kyong told reporters Friday that Yun will return home in early January "for consultation with the home government" on the recent French action. He did not elaborate on how long the ambassador will stay away from his post, however. "We are extremely displeased because of the action taken by the Government of France, a traditional ally of South Korea, with no prior notice," Yi said.

Yi said the Foreign Ministry has requested of the Paris Government that it postpone until "some other mutually convenient time" the visit to South Korea by French Minister for Industrial Re-deployment and External Commerce Edith Cresson for "internal reasons, including the general elections." Ms. Cresson was originally scheduled to visit Seoul Jan. 14-18 to discuss economic cooperation between the two countries.

Ms. Cresson had planned to negotiate the sale of French airbuses to the nation as well as French participation in South Korea's projected construction of nuclear power plants Nos. 11 and 12, a high-speed railway system linking Seoul and the central city of Taejon and a sewage treatment system in Seoul, a Foreign Ministry official said.

Yi said, however, that the two actions were "not a retaliation" for the French elevation of the mission. "We don't want France to lead others in improving relations with North Korea," Yi said.

Reports from Paris said that Yun met with French Secretary-General for External Relations Francis Gutmman Thursday to convey the Seoul government's decision.

On Dec. 17, the Foreign Ministry issued an official statement expressing "deep regret" over the French action "despite our repeated request for prudence." The Foreign Ministry learned of the Dec. 11 French move only four days later through a North Korean broadcast, which Yi said was "very unpleasant."

The French Government has insisted that the elevation of the mission's status was a mere change of name and not a diplomatic recognition of North Korea. Officials and observers in Seoul, however, regarded the French action as a "de facto" recognition of North Korea, as in the cases of the Paris general delegations of the Canadian Province of Quebec and the Palestine Liberation Organization, which are now enjoying virtually all diplomatic privileges.

Diplomatic observers here said that the sudden recall of the South Korean ambassador appears to be a reply to Yun's belated confirmation of the elevation.

Seoul's postponement of Minister Cresson's visit also was a strong expression of "displeasure" with the French action and an implication of its intention to reconsider future economic relations with France, they said.

Yun will be the third ambassador from South Korea to be recalled. In 1972, then A Ambassador to Chile Kang Shun-hui was recalled after Chile implemented diplomatic relations with North Korea. Three years later, then Ambassador to Thailand Chon Pyong-kyu was recalled for the same reason.

'Clear Notice' Served

SK300132 Seoul THE KOREA TIMES in English 30 Dec 84 pp 1, 8

[From the "News in Review," column by political editor Kim Myong-sik]

[Text] The government has served a clear notice to its traditional friends that change in the South-North relations on the Korean peninsula should not be used as an excuse for their approach to North Korea.

The message was disseminated through its two simultaneous actions on France -- recall of Ambassador Yun Sok-hun and unilateral postponement of a visit to Seoul by French Foreign Trade Minister Edith Cresson.

Foreign Minister Yi Won-kyong, who heard the news of the French permission for North Korea to evaluate its trade mission to a general delegation while on an ASEAN tour, was extremely cautious when he informed the press of the government decision. He restrained himself from saying anything like retaliation or reprisal. The instruction to Ambassador Yun to return home was precisely "for business consultation." The indefinite delaying of the French woman minister's visit here was due to "internal reasons." However, he made it unmistakably clear that the government authorities were extremely "displeased" beyond the level of regret upon hearing of the French action involving North Korea through the news media instead of direct official notification.

The recall of Ambassador Yun may partly have the nature of questioning his responsibility for having failed to get the information on the development between Paris and Pyongyang on time, diplomatic analysts say. It was on Dec. 11 that France granted North Korea the permission to elevate the status of its mission in Paris. Until North Korean Central News Agency reported it on Dec. 15, the embassy in Paris provided no information to Seoul.

Yet the recall of an ambassador was in fact the toughest diplomatic action the Seoul government has ever taken against a friendly government in Western Europe. Similar actions were taken toward Chile in 1972 and Thailand in 1975 when they established diplomatic relations with North Korea.

Seoul authorities, while pursuing dialogue with North Korea for the ultimate objective of reducing tension on the peninsula and preventing war, has had growing worries of possible approaches between Pyongyang and Western capitals. Some socialist governments in West Europe were the targets of great concern as it was hard to expect for the time being that Eastern Europe would make any reciprocal actions toward Seoul.

Francois Mitterrand, shortly before the presidential election, had visited Pyongyang and promised to recognize North Korea when he forms his government. Three and a half years later, his promise was translated into the permission of a North Korean general delegation in Paris.

Some analysts say that it could rather mean a success in the Republic of Korea's diplomatic efforts that the Pyongyang-Paris relations have been settled to such a primary level instead of full recognition.

"The same bottle can be either half empty or half full depending on how you look at it," one commentator quipped. Some officials may have similar opinions but what they are most worried about is how other capitals would read the minds of Seoul authorities.

It has been an open secret in diplomatic circles here that France has offered itself as an initiator of a "cross recognition" between Seoul and Pyongyang on one hand and Western and Eastern Europe on the other. Seoul has not been anxious about such an idea because of uneven political and economic weight of the two opposing European blocs.

Even after the formation of the Socialist government in Paris, economic collaboration between Seoul and Paris has become brisk due mainly to France's leading role in the European Community. Korea has bought or is to buy technology and components for atomic power plants, airliners, natural gas terminal facilities and even a subway ticketing system. Contracts for the introduction of other public facilities of huge value are being negotiated. It is admitted that turning the clock backwards in terms of economic cooperation will work to the benefit of no one at this particular moment. The tough government action last week could therefore be a scolding of a mischievous friend intended to arouse his prudence and that of others who may be tempted to do the same, the analysts said.

CHOSON ILBO Commentary

SK290605 Seoul CHOSON ILBO in Korean 29 Dec 84 p 4

[Article by correspondent Sin Yong-sok, in Paris]

[Text] Relations between France and the ROK have become tense since the French Government took a measure to upgrade the status of the North Korean Trade Mission in Paris to that of general mission on 11 December.

The government has taken the measure of recalling Yun Sok-hun, ambassador to France, and asked France to postpone the visit to the ROK by Minister Edith Cresson, a woman, who is one of the influential figures in the present Socialist government and minister of foreign trade and industrial redeployment. She was expected to visit the ROK in January. Thus, the two countries' relations began to enter a delicate situation.

In fact, indications of the improvement of relations between France and North Korea began surfacing in 1981. At that time, President Francois Mitterrand visited Pyongyang just before the presidential election and had talks with Kim Il-song. He promised that if the Socialist Party assumed power, he would recognize North Korea, thereby showing the possibility of France recognizing North Korea.

Because Mitterrand, then the head of the Socialist Party, won a sweeping victory in France's presidential election, which was conducted in May of that year, right after his visit to Pyongyang, it has been judged that France's recognition of North Korea and its subsequent establishment of relations with North Korea are decisive. This notwithstanding, we can say that, with pertinacious persuasion and diplomatic activities toward the Socialist government, our government has succeeded in checking, for the moment, the French Government, which had made up its mind to recognize North Korea, while making it postpone putting into practice its basic position to do so.

Ambassador to France Yun Sok-hun has explained the course of the ROK-France diplomatic tug-of-war over the North Korean issue during the 3 and 1/2 years since Mitterrand's Socialist Party assumed power, saying: "There have been at least four crises" (which means that the situation had reached the point of near recognition of North Korea).

H2 further said: "France has settled its relations with North Korea by changing the name of the trade mission rather than recognizing North Korea. This is rather fortunate in view of the atmosphere that prevailed in May 1981." But, as far as we are concerned, we cannot overlook this. According to Ambassador Yun, in the process of notifying North Korea on 11 December of its decision to change the name of the mission, the French Government revealed its awkward situation.

The French Foreign Ministry did not notify our side of its decision to change the name of the North Korean Mission either before or after it took such a measure, and it made this decision during the changeover from the former foreign minister, Claude Cheysson, to the new foreign minister, Roland Dumas, thereby itself revealing its awkward situation. The fact that the French Government did not notify the ROK Government -- the party concerned with regard to the French Government's measure of changing the name of the North Korean Mission -- of its decision either before or after its actual action can be understood as a sign that France took many pains in this regard. Nonetheless, we, who have been given such treatment, cannot but define such an act as lack of diplomatic courtesy.

In the final analysis, we can say that Mitterrand's Socialist government has kept its promise of 3 and 1/2 years ago to North Korea by changing the name of the mission. Even when the Conservative Party was in power before May 1981, France and North Korea maintained continuous economic, cultural, and political exchanges. It was true that there was trade and economic cooperation, that North Korean art troupes gave performances in Paris and exhibitions were held, and that they frequently realized personnel exchanges on a party level.

In view of such a situation, the fact that after it assumed power, the Socialist Party, which promised to recognize North Korea, has settled, for the moment, French-North Korean relations by changing the name of the North Korean Mission, shows, we can say, that the situation during the past 3 and 1/2 years has developed in our favor. But we should take notice of the possibility that on the basis of this, France and North Korea might promote new relations.

In the future, we cannot ignore the possible negative effects that might ensue in our diplomacy toward the Middle East and Africa, as well as toward Europe, should our government take consecutive tough-line measures toward France. It is true that our side's expression of regret and the taking of countermeasures in view of the French Government's North Korean policy can play a preventive role against possible similar occurrences in other European nations.

This notwithstanding, if we resist France, a country that pursues a completely independent line even toward the superpowers such as the United States and the Soviet Union in terms of diplomacy, too much, because of its act of just changing the name of a mission, there is the possibility that this will bring about a reverse effect, while being regarded as an excessive reaction to a sovereign country's policy. Herein lies the limitation on the actions that could be taken. If we, who are pursuing dialogue with North Korea, continue to show a tough-line stance toward the changing of the name of the North Korean Mission, we should also take into consideration the persuasiveness of our act with regard to public opinion as well as the French Government.

With this situation as momentum, if we can reverse this situation, and advise France to ask the Soviet Union, Red China, and various East European nations to improve cultural relations with the ROK as these countries did for North Korea through France, we would display our wisdom in harvesting gains from our losses.

'Cooling of Relations' Eyed

SK3000828 Seoul TONG-A ILBO in Korean 29 Dec 84 p 2

[Editorial: "Cooling of ROK-French Relations and Our Future Steps"]

[Text] Our government has decided to recall our ambassador to Paris in reaction to France's recent granting of permission for North Korea to upgrade its trade mission in Paris to the status of a general delegation. At the same time, the government has decided to delay a visit by French Foreign Trade Minister Edith Cresson to Korea, originally scheduled for 14-18 January.

When the French Government decided to upgrade the North Korean Trade Mission in Paris about 10 days ago, we, in this column, expressed our deep concern over the French Government's hasty step. Our government's decision to recall our ambassador to Paris and to delay a visit to Korea by the French foreign trade minister, as an expression of its dissatisfaction with the French Government's step, can be said to be belated.

The French Government's decision to upgrade the North Korean trade mission in Paris is definitely a violation of international practice and the principles of reciprocity.

At a time when an atmosphere for North-South dialogue and contact is being created for the first time in the past 10 years, the French Government should also have paid attention to such an atmosphere. However, France, which is one of our major allied nations in Western Europe, has, unfortunately, broken the status quo in relations between North and South Korea by upgrading the North Korean Trade Mission in Paris to a quasi-diplomatic mission. Of course, we understand France's motive in approaching North Korea. France is at the head of our allied nations in Western Europe. The motive behind the French Government's approach to North Korea is the fact that the Mitterrand regime is precisely a Socialist Party regime, and France has hoped for an increase in trade with North Korea.

As seen in the fact that a French construction company has completed a contract with a North Korean construction company for joint construction of a 46-story hotel building in Pyongyang, France is now accelerating moves to open up a market in North Korea. However, the amount of trade between South Korea and France in 1983 was some \$580 million and the amount of trade between the two countries as of September of this year reached some \$460 million. The content of the trade between South Korea and France as of the end of last September included \$210 million in exports and \$250 million in imports, showing a trade deficit of \$40 million on the South Korean side.

Besides this, South Korea and France are now maintaining economic cooperation in such projects as the construction of nuclear power plant units 9 and 10 in our country, the construction of a storage terminal for imported liquefied natural gas in Pyongtaek near Seoul, and the construction of automatic subway ticket sale facilities in the Pusan subway system.

Contrary to this, the volume of trade between North Korea and France was no more than \$43 million in 1983. When the volume of its trade with South Korea is compared with that of North Korea, there was no need for France to upgrade the North Korean mission, even to the point of evoking complaints from the ROK.

According to a report of the NAEWOL News Agency, a delegation of the "Workers' Party" led by Secretary Hwang Chang-yop visited West Germany about 10 days ago. This suggests that North Korea is permeating West Germany under the slogan of the improvement of relations with France. We cannot but pay attention to this development.

Meanwhile, we cannot help questioning as to whether or not it is wise for our government to inflict a belated diplomatic retaliation on France at present. It is not wise to be at a loss after failing to prevent France from taking such a step. This is like shutting the barn door after the horse has been stolen.

It is not a time for the government only to be reproaching the French Government. Such an approach is lukewarm. We urge the government to thrust itself into the diplomatic theater of Eastern Europe in order to improve relations with the communist bloc -- including Eastern Europe. This means that the government should change its present diplomatic style into an active and pioneering one.

YI SEES INCREASED NONPOLITICAL CONTACTS WITH PRC

SK290144 Seoul YONHAP in English 0137 GMT 29 Dec 84

[Text] Seoul, Dec. 29 (OANA-YONHAP) -- Foreign Minister Yi Won-kyong said Friday that there will be considerable progress in nonpolitical contacts between South Korea and China next year.

In 1984, there were increasing contacts between the two countries in academic, cultural and sports fields. It would be desirable for both parties to widen contacts to include areas like economic exchange, Yi said.

Touching on the issue of the territorial rights of Chonji Crater Lake on Mt. Paektu, at the northern tip of North Korea, Yi said, "The Republic of Korea does not and will not recognize any agreement by mainland China and North Korea on Chonji Lake." Yi declared, "Chonji Lake is the territory of the Korean race and its sovereignty belongs to us."

Asked about the recent report that North Korea hopes to open a resident embassy in Bangkok, the minister said that Thailand, a long-time friend of South Korea, will not allow the northern plan because it has traditionally been an anti-communist nation.

SOVIETS PETITIONED TO ALLOW FAMILY REUNIONS

SK300225 Seoul THE KOREA HERALD in English 30 Dec 84 p 8

[Text] Taegu (YONHAP) -- The Korea Commission for the Reunion of Family Members in China and the Soviet Union sent a petition yesterday to the general secretary of the Sakhalin Chapter of the Soviet Communist Party calling for the granting of permission to Koreans on Sakhalin Island to meet their relatives in Korea.

The Taegu-based commission urged on humanitarian grounds that the Soviet authorities grant the Koreans permission to meet their relatives as soon as possible and noted that they have lived for more than 40 years involuntarily in Soviet territory. The commission also suggested that the separated Korean family members could meet each other on Sakhalin, in Korea or in a third nation, such as Japan. Along with the petition, the commission sent letters by Koreans to their family members on Sakhalin.

OPPOSITION PARTIES NOMINATE ASSEMBLY CANDIDATES

SK292351 Seoul THE KOREA HERALD in English 29 Dec 84 pp 1, 2

[Text] Two major opposition political parties and a new political group, tentatively named "New Korea Democratic Party," yesterday nominated candidates to run in many of the total 92 constituencies in the upcoming National Assembly elections.

The main opposition Democratic Korea Party announced the nomination of 71 candidates. Most of the nominees are incumbent lawmakers and former legislators of the now-defunct opposition New Democratic Party. Those former legislators joined the DKP after being removed from a political ban on three occasions during the last two years.

Among the DKP candidates are party leader Rep. Yu Chi-song for the Pyongtaek-Ansong electoral district in Kyonggi-do, party Vice President Rep. Shin Sang-u for the Puk-gu district in Pusan and Rep. Ho Kyong-ku for the Sokcho-Yanggu district in Kangwon-do.

Others include Cho Yun-hyong for the Songbuk district in Seoul and Yi Chung-chae of the Kangnam district in Seoul. Cho and Yi were once banned from politics.

The 71 candidates were announced after the first meeting of a seven-member Nomination Committee of the party. The panel is to meet again today to screen the applicants for candidacy in the remaining 21 electoral districts.

The minor opposition Korea National Party (KNP) nominated candidates for 60 constituencies. Among them are acting party President Rep. Yi Man-sop for the Chung-Sogu district in Taegu, and Sin Hyong-sik for the Kohung-Posong district in Chollanam-do. Sin, formerly secretary-general of the now-disbanded Democratic Republican Party, was once barred from politics.

Other nominees include Choe Chi-hwan for the Hadong-Nambae district in Kyongsangnam-do and Kim Kwang-su for the Chinan-Muju constituency in Chollabuk-do. Choe and Kim were also once banned from politics. Kim was formerly a DRP lawmakers.

The KNP is screening the applicants for candidacy in other districts.

The NKDP announced the appointment of 41 local chapter organizers. The organizers are virtually assured of parliamentary candidacy. The group is made up mostly of politically reinstated former NDP legislators.

The appointed organizers include former NDP leader Yi Chol-sung of the Chonju-Wanju Chapter in Chollabuk-do, Song Won-yong for the Tongdaemun district in Seoul, Sin To-hwan of the Nam-Susong chapter in Taegu, and Kim Nok-yong for the So-gu district in Kwangju.

The others include Cho Yon-ha of the Kuro Chapter in Seoul, Choe Hyong-wu for the Ulsan-Ulju district in Kyongsangnam-do, Rep. Pak Kwang-yong, one of the recent defectors from the DKP, for the Tongnae Chapter in Pusan and Pak Chan-Chong, former DRP lawmaker, for the Chung-Tonggu district in Pusan. The group plans to put up candidates in all 92 districts.

The ruling Democratic Justice Party (DJP) formally nominated candidates for the 92 constituencies last Wednesday. Each of the 92 electoral districts will elect two lawmakers. The remaining 92 legislators will be decided by the proportional representation system.

'SPECIAL COMMUNIQUE' ANNOUNCES DEATH OF CHAN SI

BK311209 Phnom Penh SPK in English 1140 GMT 31 Dec 84

[Text] Phnom Penh SPK December 31 -- The following special communique has been released in Phnom Penh: The Central Committee of the People's Revolutionary Party of Kampuchea, the State Council, the National Assembly, the Council of Ministers of the People's Republic of Kampuchea and the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland inform the entire party, the entire people, the entire Army, and all overseas Kampuchean of the following: Comrade Chan Si, member of the Political Bureau of the PRPK Central Committee and chairman of the PRK Council of Ministers, died at the age of 50, of a serious heart disease. During his sickness, the party and the state made every possible effort to cure him, with the wholehearted assistance of experienced Soviet and Vietnamese professors and doctors, but he was too seriously ill to recover and has left us forever.

Comrade Chan Si was a faithful, courageous revolutionary militant, a leader who worked heart and mind for the people and the country, a devoted son of the Kampuchean working class and the Kampuchean nation. He devoted his life to the cause of national liberation, construction and defence and, at the same time, struggled for the consolidation and strengthening of the ties of fraternal friendship between the Kampuchean people and the peoples of Vietnam, Laos, the Soviet Union, other fraternal socialist countries, and other peoples throughout the world.

The death of Comrade Chan Si is a great loss to our party, our state and our people. To show our profound grief and our gratitude to the late Comrade Chairman Chan Si, the Central Committee of the PRPK, the State Council, the National Assembly, the Council of Ministers and the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland at an extraordinary meeting, have decided:

- 1 -- To hold mourning services in the whole country,
- 2 -- The entire party, the entire people and the entire Army will mourn for the late Chairman Si during three days, from January 3, to January 5, 1985.
- 3 -- The Central Committee of the PRPK, the State Council, the National Assembly, the Council of Ministers and the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland will organize a ceremony for people to pay final respects to the late chairman for the reading of the eulogy, and for the cremation, etc.
- 4 -- To set up a national funeral committee composed of high-ranking comrades from the party, the state and the front.

At these hours of sorrow, the Central Committee of the PRDK the State Council, the National Assembly, the Council of Ministers, and the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland call upon the entire party, the entire Army and the entire people to translate their grief into a great strength for the successful completion of strategic tasks at this new stage of our revolution.

RESISTANCE SAID TO HOLD MOST OF NONG SAMET

BK290202 Bangkok BANGKOK POST in English 29 Dec 84 p 1

[Excerpts] Aranyaprathet -- Khmer resistance forces knocked out a Vietnamese T-54 tank and regained most of their Nong Samet camp after four days of fierce fighting, military sources said yesterday.

Vietnamese gunners rained more than 300 shells in 90 minutes into Nong Samet apparently in an attempt to prevent Khmer People's National Liberation Front [KPNLF] troops from reaching the tank which was crippled by a shell from a recoilless rifle. Nong Samet commander Liv Ne was overheard radioing his headquarters that his troops had destroyed one T-54 near the camp's temple and another had been damaged. Liv Ne claimed his troops had killed or wounded up to 80 Vietnamese while trying to retake their camp. Fierce fighting flared on Thursday night and continued until yesterday morning. At least four nationalists were killed and 20 wounded when Vietnamese gunners pounded Nong Samet from 3 p.m. till 4 p.m.

Burapha Task Force Commander Maj-Gen San Siphon said the nationalists had fought for every inch but they had now taken control of about three-quarters of the sprawling camp which is one kilometre from the border. Maj-Gen San said about 3,000 nationalists launched a series of counter-attacks on Nong Samet early yesterday, forcing the Vietnamese to pull back to defensive positions.

International relief officials put Nong Samet casualties at 40 killed and 70 wounded.

Coalition Prime Minister Son Sann yesterday visited more than 60,000 Khmer civilian at the Red Hill evacuation site, about three kilometres from Nong Samet. Pledging to recover ground lost to the Vietnamese, Son Sann said Hanoi had singled out the KPNLF because "we are the biggest obstacle to them in Kampuchea."

At Ampil, Vietnamese gunners continued to pound this main KPNLF base with 130mm and 105mm artillery pieces yesterday. The camp's 23,000 civilians were virtually evacuated close to a tank ditch ready for a quick escape across the border into an evacuation site in Thailand.

Thai military sources said Vietnam yesterday moved six more tanks and armoured personnel carriers to Ampil Lake. Mya Saat, a KPNLF leader at Ampil, said eight T-54s and 50 APCs had been moved into position to attack the camp.

Heavy Fighting Reported

BK310121 Bangkok BANGKOK POST in English 31 Dec 84 p 1

[Excerpts] Aranyaprathet -- More than 100 wounded Khmer nationalist soldiers were evacuated from the battlefield at Nong Samet yesterday as Vietnamese tanks and artillery pounded the camp for 12 hours doing what was described as one of the worst days of the fighting in Kampuchea. Half of the wounded were rushed by the International Committee of the Red Cross (ICRC) to the nearby hospital of Khao-I-Dang. The others were treated near the scene of the battle at a temporary field hospital. Some reports said as many as 30 nationalist soldiers were killed in yesterday's fighting during which several hundred artillery rounds fell into the camp.

In recent days, both the Vietnamese and the nationalist forces from the KPNLF [Khmer People's National Liberation Front] have received reinforcements. Four hundred troops from the KPNLF headquarters at Ampil have joined the struggle to regain control of Nong Samet. The military and KPNLF sources estimated that about 3,400 nationalist soldiers and more than 1,000 Vietnamese troops backed by artillery, tanks and armoured personnel carriers were involved in the battle. Most of the camp has been torched by the Vietnamese and numerous land mines planted, making the recapture of the camp extremely dangerous.

Yesterday, the shelling of Nong Samet camp was so intense that relief volunteers were reported forbidden to enter a temporary civilian evacuation site inside Thailand about three kilometres from the fighting.

There is so far no indication of Vietnamese casualties. These were considered high in the battle for Nong Chan but at Nong Samet it seems the nationalists are taking the heaviest toll. Reliable sources said more than 100 KPNLF soldiers have been killed during the six days of fighting. The huge civilian population at Nong Samet (more than 61,000) managed to escape the camp with minimal casualties.

The situation was also very tense near the Sihanoukist base of Tatum -- Green Hill. Fighting was reported in the vicinity and a senior member of the nationalist Sihanoukist Army (ANF) said the Vietnamese have in the past few days received several thousand reinforcements from Oddar Meanchey. Prince Norodom Ranarith, the personal representative of Prince Sihanouk, is presently at Green Hill. The camp, opposite Surin, is protected by several thousand ANF soldiers equipped with heavy machine guns, mortars and anti-aircraft weapons. ANF soldiers are also present in Nong Chan and in the area near Nong Samet where they've been fighting alongside KPNLF troops.

Army Assistant Spokesman Col Anuson Kritsanaserani told the BANGKOK POST last night that there was no report of a border intrusion during the heavy fighting inside Kampuchea yesterday.

HUN SEN, SRV AMBASSADOR VISIT TROOPS AT BORDER

BK201640 Phnom Penh SPK in English 1124 GMT 20 Dec 84

[Text] Phnom Penh SPK December 20 -- Hun Sen, Politburo member of the People's Revolutionary Party of Kampuchea and vice premier of the People's Republic of Kampuchea, has called on Kampuchean and Vietnamese combatants along the Kampuchean-Thai border following their successful mopping-up operations against the enemies.

Hun Sen was accompanied by Men Chhan, member of the State Council and vice president of the National Council of the United Front for construction and defense of the Kampuchean fatherland; and Soy Keo, member of the party Central Committee, deputy defense minister and chief of the general staff of the Kampuchean Revolutionary Armed Forces. Vietnamese Ambassador Ngo Dien was also in the party.

Talking to the combatants, Hun Sen pointed out that the Vietnam People's Army had over the past 40 years always fulfilled its duties not only toward its own nation but also toward the Kampuchean and Lao peoples. The Vietnamese Army volunteers, he said, are fighting side by side with the Kampuchean people and their Army to defeat all acts of sabotage by the Chinese expansionists and hegemonists who, in collusion with the U.S. imperialists, are using remnants of the Pol Pot clique and other Khmer reactionaries from Thailand to undermine the rebirth of the Kampuchean people.

Hun Sen praised the Kampuchean and Vietnamese combatants for their heroism, their might and their recent victories over the Polpotists and the Khmer reactionary forces. "Our struggle," he said "will continue since the Chinese expansionists and hegemonists persist in their collusion with the U.S. imperialists and in the use of the Polpotists and other Khmer reactionaries for sabotage acts from Thailand. We have the right to decide our own affairs, to defend the peaceful life of our people, to live without the threat of the bloody grips of the Polpotist butchers, and to eliminate this clique and its associates." Hun Sen condemned the ruling circles in Bangkok for sheltering the Polpotists and other Khmer reactionaries and for using Thai armed forces to back those reactionaries against the People's Republic of Kampuchea.

Hun Sen went on to say that Thailand used to be a base for the U.S. aggression against Indochina and, for six years now, had continued to oppose the three Indochinese countries, in service of the Chinese expansionists. "The Thai authorities must answer for all the consequences of their hostile policy and must bear full responsibility for the unstable situation along the Kampuchean-Thai border," Hun Sen stressed. During his tour from December 18-20, Hun Sen called on many Kampuchean and Vietnamese units and talked about the situation in Kampuchea and in the world. He urged the local populations to promote the three revolutionary movements of the masses.

DEFENSE MINISTRY PAYS TRIBUTE TO USSR'S USTINOV

BK261540 Phnom Penh Domestic Service in Cambodian 1200 GMT 25 Dec 84

[Text] After hearing the grievous news that Comrade Dmitriy Fedorovich Ustinov, a famous leader of the CPSU, Soviet defense minister, marshal of the Soviet Union, member of the USSR Supreme Soviet Presidium, Hero of the Soviet Union, and twice Hero in Socialist Labor, died on 20 December at the age of 77, the delegations of the PRK party, state, and front, and diplomatic corps designated to the PRK went to the Soviet Embassy in Phnom Penh to lay wreaths as a gesture of last respect to Comrade Ustinov.

At 1515 on 24 December, a delegation of the PRK Defense Ministry led by Comrade Soy Keo, member of the KPRP Central Committee, deputy minister of national defense, and chief of the KPRAF General Staff, went to lay wreaths at the Soviet Embassy as a last homage to Comrade Ustinov. At the same time, the PRK Defense Ministry organized a memorial service for the late Comrade Ustinov at the office of the Defense Ministry on the afternoon of 25 December. Present were Comrade Bou Thang, member of the KPRP Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of national defense; Comrade Soy Keo, member of the party Central Committee, deputy minister of national defense, and chief of the KPRAF General Staff; Comrade Meas Kroch, deputy minister of national defense, and chief of the KPRAF General Political department; Comrade Oleg Bostorin, ambassador extraordinary and plenipotentiary of the USSR to the PRK; and many cadres and combatants from the Defense Ministry and local and foreign guests.

After Comrade Choeung Am, deputy chief of the KPRAF General Political Department, read an obituary and brief biography of Comrade Ustinov, Comrade Bou Thang, member of the KPRP Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of national defense, read an eulogy which noted: The death of Comrade Dmitriy Fedorovich Ustinov is the greatest and most grievous loss not only to the Soviet party, people, and Armed Forces but also to the Kampuchean party, people, and Armed Forces as well as all progressive mankind. This is because Comrade Ustinov was the most outstanding military leader of the people and Armed Forces of the USSR. He was also a valiant combatant in the struggle for the cause of socialism and peace.

After the memorial service, Comrade Oleg Bostorin, ambassador extraordinary and plenipotentiary of the USSR to the PRK, thanked the PRK party, state, and Armed Forces for joining with the USSR party, people, and Armed Forces in mourning the death of Comrade Ustinov. He stressed that the Soviet Union would resolutely help make the Kampuchean Armed Forces and people score new victories in their struggle for national defense and independence.

LEADERS GREET MPR COUNTERPARTS ON ELECTION

BK270721 Phnom Penh SPK in French 0444 GMT 27 Dec 84

[Text] Phnom Penh, 27 Dec (SPK) -- Heng Samrin, general secretary of KPRP Central Committee and chairman of the PRK Council of State, expressed his best wishes for good health, happiness, and great success in a message to Jambyn Batmonh, general secretary of the MPRP Central Committee and chairman of the Presidium of the MPR People's Great Hural on the occasion of his election to the post of chairman of the MPR People's Great Hural.

The message says: I have the firm conviction that under your astute leadership, the valiant and courageous Mongolian people will score more great achievements in all fields aimed at constructing developed socialism in Mongolia, actively contributing to the development and strengthening of the relations of friendship, solidarity, and close cooperation between Kampuchea and Mongolia for peace, stability, and progress against the poisonous maneuvers of the Chinese expansionist-hegemonists, the U.S. imperialists, and other international reactionary forces that are provoking tension throughout the world.

Kampuchean Chairman of the Council of Ministers Chan Si sent a message of warm greetings to Dumagiyn Sodnom on the occasion of his election to the post of chairman of the MPR Council of Ministers. In his message, Chairman Chan Si expressed his firm conviction that the bonds of fraternal friendship and cooperation between the two countries will not cease to strengthen and further develop in the interests of peace, international detente, and social progress.

HENG SAMRIN, HUN SEN GREET CUBAN COUNTERPARTS

BK301304 Phnom Penh SPK in English 1108 GMT 30 Dec 84

[Text] Phnom Penh SPK December 30 -- Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea Central Committee and president of the State Council of the People's Republic of Kampuchea to Fidel Castro Ruz, first secretary of the Communist Party of Cuba Central Committee, president of both the State Council and the Council of Ministers of the Republic of Cuba, on the 26th Cuban national day.

In his message, President Heng Samrin said: "The January 1, 1959 great victory not only opened a new era of freedom and democracy to the Cuban people, but also constitutes a solid bastion for the revolutionary current in Central America." "We have noted with satisfaction that under the clear-sighted leadership of the party and the government of Cuba, the valiant Cuban people, who are firmly confident in their future, have recorded great success in foiling all the enemy's dark schemes and in safeguarding national independence, sovereignty and revolutionary gains," President Heng Samrin said. "May the friendship and militant solidarity relations and cooperation between Kampuchea and Cuba further develop and strengthen with every passing day," he wished.

On the same occasion Foreign Minister Hun Sen has sent greetings to his Cuban counterpart, Isidoro Malmierca. The Federation of Trade Unions of Kampuchea has also sent greetings to the Central Organization of Cuban Trade Unions.

REACTION TO ESPIONAGE TRIAL IN VIETNAM

Communique Issued

BK300344 Vientiane Domestic Service in Lao 0500 GMT 27 Dec 84

[Communique issued 24 December by LPRP Central Committee Secretariat]

[Text] On 14 December, the SRV Supreme People's Court held an open session in Ho Chi Minh City to try a major case of espionage directly organized and commanded by China in close collusion with the Thai Army intelligence and with the support of the CIA. This most serious spy case was tried and publicized in Vietnam more openly than ever before. The case was fully supported by evidence and witnesses -- that is, a total of 119 spies were arrested together with hundreds of tons of weapons, ammunition, and explosives of various types, more than 300 million fake dong printed by China, and other exhibits proving espionage and sabotage activities, the building of underground bases, and the organizing of secret strongholds and other reactionary organization in preparation for an armed rebellion to overthrow the socialist system in Vietnam early in 1985. Of the arrested spies, 21 were sent to the court.

The open trial of the spy case by the SRV Supreme People's Court is an event of great significance. It is significant not only for educating and training the Vietnamese people, but also for condemning crimes committed by and revealing the reactionary nature of the Chinese expansionists and hegemonists, who are closely colluding with the ultra-rightist reactionaries in the Thai ruling circles to carry out a brutal and cunning multifaceted war of destruction against the revolution of Laos, Vietnam, and Kampuchea.

The LPDR regards this spy case as a case for reference and as a precious lesson enabling our cadres, party members, combatants, and people to understand the enemy's sabotage tricks and schemes more clearly, to jointly further heighten our revolutionary vigilance, to more deeply understand the fierceness and complexity of our fight against the enemy, and to more profoundly grasp the two current strategic tasks: to defend the country and build socialism in Laos. The party Central Committee Secretariat has therefore informed the various ministries, committees, mass organizations, the municipality, and various provinces throughout the country of this event. They should carry out the following tasks:

1. Party committees at all levels, all branches of service, and various mass organizations from the central down to the grass-roots levels must immediately organize the publicity of the case within their own organizations. To ensure that this task will be carried out promptly, simply, and effectively, this case may be publicized at weekly or monthly meetings regularly held by their organizations or units. In publicizing the case, one must pay attention to stressing and pointing out some points concerning all forms of enemy sabotage activities in Laos.
2. The Central Propaganda and Training Board must compile documents and quickly publicize and introduce them internally.
3. The State Committee for New Agency, Newspapers, Radio, and Television must organize the recording of news and broadcast it and effectively comment on the case for local and foreign publication. After the publicity of this case is completed, they must sum up the results and report to the Office of the Party Central Committee.

[Dated] Vientiane, 24 December 1984.

Commentary Hails Verdict

BK271658 Vientiane Domestic Service in Lao 0000 GMT 25 Dec 84

[Unattributed commentary: "Undeniable Evidence"]

[Text] Recently, the SRV People's Supreme Court meted out a due and suitable verdict against a group of spies working for the Beijing reactionary clique in collusion with the ultrarightist reactionaries in the Thai ruling circles. The court action is another great victory scored by the Vietnamese people. It clearly pointed out the painful defeat suffered by the enemies in refusing to abandon their dark scheme against the SRV and the three fraternal countries in Indochina.

The chief spy and his henchmen pleaded guilty to the court on all counts, and told the court that they were given financial assistance, weapons, and other means of conducting subversive activities by the Chinese expansionists and hegemonists and were provided conveniences by the ultratightist reactionaries in the Thai ruling circles. This spy group had a center for command, coordination, operation, and training in Thailand. Thai soil has been used as the springboard for carrying out all acts of infiltration into Vietnam and all subversive activities against the three Indochinese countries.

The arrest of the subversive elements together with clear evidence and the resolute verdict meted out against them have clearly exposed the true extremely reactionary nature of the Chinese expansionists. This action constitutes a drastic punishment of the most dangerous, direct enemies who always intend to aggress against, provoke, and annex the three Indochinese countries and to pursue a policy of expansionism in Southeast Asia.

After suffering a heavy defeat in Kampuchea and a painful defeat in their war of aggression against six provinces in northern Vietnam in 1979, the Beijing reactionary clique refusing to abandon its hostile policy against Laos, Vietnam, and Kampuchea, has turned to wage a multifaceted aggressive and destructive war against these countries with active support from the ultrarightist reactionaries in the Thai ruling circles. Thailand had become their command center for carrying out subversive activities against the three Indochinese countries as it used to be the U.S. imperialists' military base during the period of the U.S. war of aggression against Indochina in the past.

In recent years, the Beijing reactionary clique and the ultrarightist reactionaries in the Thai ruling circles have waged a multifaceted destructive war against the three Indochinese countries in a vehement and savage manner. They organized and commanded the traitorous Le Quoc Tuy-Mai Van Hanh gang and its colleagues to carry out subversive activities in southern Vietnam and armed provocations against the border provinces of northern Vietnam. They have fed and supported the Pol Pot clique and other reactionary Khmer groups to frenziedly carry out activities against the national restoration and the building of a new life by the Kampuchean people. They have organized the exiled Lao reactionaries to carry out disturbances to obstruct the national construction of the Lao people. More serious and more arrogant still, on 6 June this year they sent Thai troops to aggress against and nibble at the three Lao villages in Sayaboury Province. So far, these Thai troops have not yet withdrawn from Lao soil but continue to commit crimes against the Lao people in the area.

All this is the truth that cannot be concealed nor denied by the Beijing reactionary clique and the ultrarightist reactionaries in the Thai ruling clique no matter how hard they try to do so.

The organization and direction of the spy elements arrested by the Vietnamese security forces and people, the support given by these elements to the Pol Pot clique and the other reactionary Khmer groups to carry out activities to topple the new regime of the Kampuchean people, and the implementation of a scheme to obstruct and undermine the Lao revolution and destroy the friendship relations between the Lao and Thai peoples by sending Thai troops to aggress against and occupy, the Lao villages of Ban Mai, Ban Kang, and Ban Savang, thereby seriously encroaching on Lao sovereignty, are clear evidence that the Beijing reactionary clique and the ultrarightist reactionaries in the Thai ruling circles are the direct and dangerous enemies of the three fraternal Indochinese countries. All this is clear proof that the Chinese expansionists and hegemonists and the pan-Thaist expansionists are threatening the security of the three Indochinese countries and the countries of Southeast Asia. They must be held solely responsible for all serious consequences of their action.

GOVERNMENT SAID TO SEEK 'NEW ROUND' OF TALKS

BK300128 Bangkok BANGKOK POST in English 30 Dec 84 p 3

[Text] Laotian Deputy Prime Minister Phoumi Vongvichit said his country would call for a new round of negotiations with Thailand in a bid to settle the border dispute that has chilled the relations between the two neighbours. The Laotian leader made the statement during a recent press interview in Vientiane.

Foreign Minister Sitthi Sawetsila had said earlier that Thailand was not ready for another round of talks because the atmosphere was not conducive. He said that Laos has stepped up its campaign against Thailand despite its plea for talks.

Describing a new round of talks as urgent, Mr Phoumi said the Laotian Government has not set any preconditions for negotiations with Thailand. He alleged that Thailand was insincere about its desire to settle the border problem and that Thai troops are still occupying part of the disputed territory. Thailand vehemently denied the charge and said all Thai troops had left the three disputed villages -- Ban Klang, Ban Mai and Ban Sawang -- in order to ease tensions. Phoumi dismissed Thailand's proposal for talks on the entire common border as "outdated" saying that Thailand and Laos have never had border problems prior to the dispute over the three villages. He said the talks on the entire common border would only confuse the problem. He insisted that Thailand release Laotian people in its custody and pay reparation for damages inflicted upon Laos during recent cross-border skirmishes.

The Thai Government has contended that no Laotian villagers were being held on its soil and that Thailand should instead demand reparation from Laos because of Laotian armed attacks on Thai construction crews.

OFFICIAL TURNS DOWN THAI OFFER TO VISIT VILLAGES

BK291222 Bangkok BANGKOK WORLD in English 29 Dec 84 p 2

[Text] Deputy Laotian Foreign Minister Souban Salitthilat has turned down a Thai offer to visit the three disputed villages and at the same time accused Thailand of stationing troops on Laotian territory. However, Thai Ambassador to Laos Sompong Faichampa reaffirmed that Thai troops had been totally withdrawn from the disputed villages since October 13 and they were now stationed well inside Thailand. He said Thailand saw no point or any necessity to resume negotiations on the three disputed villages and insisted that if Lao authorities wanted to hold talks on this issue, the talks should cover the whole border problem and not focus on only the three disputed villages.

"We consider the border dispute involving the three villages in Uttaradit to be over but Laos still wants to blow it up without having enough reason to support it," he added.

Souban claimed to a group of Thai reporters that although Thai troops had been withdrawn from the disputed villages, they are now stationed on Lao soil. Referring to an earlier invitation by Foreign Minister Sitthi Sawetsila for Souban and the Laotian ambassador to Thailand to visit the three villages, Souban said that there was no need to go there since the facts of the matter were already known. A visit would not help nor would it make the situation any better, he added. Souban insisted that only negotiations could solve the Lao-Thai border conflict and said that he saw no other measure. He said he saw no reason why ACM Sitthi should reject an offer from Laos for another round of talks, except that Thailand did not want to solve the problem through negotiations but preferred to use force instead. He said that the use of military means to solve any problem was not correct and unacceptable. He insisted that the refusal to hold talks meant a rejection of the 1979 Thai-Lao joint communique signed between Laotian Premier Kaysone Phomvihane and former Prime Minister Kriangsak Chamanan. He said Laos wanted to solve the conflict through peaceful means.

Asked if Laos was continuing to demand compensation for damages allegedly caused by artillery shells as well as the return of the villagers, Souban said Lao authorities had not set any conditions for a new round of talks and they were still waiting for reply from the Thai side to their letter dated December 14. He said that in this letter the Laotian authorities had asked both countries to immediately discuss an incident in which, he said, one villager was killed and both authorities had blamed each other for responsibility.

A source at the Ministry of Foreign Affairs said that the letter referred to by Souban concerned a villager from one of the three disputed villages who had asked to go back to his village to collect his belongings. Since then he had never returned to Thailand and other villagers later found his body on a trail with one ear cut off. He said that Thai authorities believed that it was psychological warfare carried out by Laos to threaten villagers not to come back to the Thai side. He said that the Foreign Ministry had told Thai Ambassador to the United Nations M.L. Phiraphong Kasemsri to inform the UN secretary-general of the matter and of the result of Thai investigation.

Souban insisted that the distribution of "white papers" together with maps claiming sovereignty over the three border villages by Laotian Ambassador Khamphan Simmalavong was a normal practice and had not violated the Vienna Convention. He said that the atmosphere for talks had much improved and Laotian authorities had reduced their attacks on Thailand over the dispute. "If there were any sign from the Thai side or if Thailand had a fixed date for talks, we are ready to stop attacks," he added.

He said Laos still did not want to take the issue to be decided by the World Court. He said that Laos would not suffer if the dispute persisted, adding that Thailand would be more damaged, in the long run.

SOVIET CULTURAL DELEGATION LEAVES FOR HOME

BK271230 Vientiane KPL in English 0916 GMT 27 Dec 84

[Text] Vientiane, December 27 (KPL) -- A delegation of the Cultural Commission of the CPSU CC led by Afanasyev, deputy head of the commission, left here yesterday for home ending a week-long visit to Laos.

Seeing the delegation off at Wattai Airport were Thongsing Thammavong, alternate member of the LPRP CC, minister of culture, and other officials. Vladimir Sobchenko, Soviet ambassador to Laos, was also present at the send-off.

OFFICIALS CONDOLE USSR LEADERS ON USTINOV DEATH

BK251259 Vientiane KPL in English 0910 GMT 25 Dec 84

[Text] Vientiane, December 25 (KPL) -- The Central Committee of the LPRP CC, the Standing Committee of the PSA [People's Supreme Assembly] and the Council of Ministers of the LPDR, yesterday, sent a condolence message to the Soviet leaders over the passing away of Marshal Dmitriy Ustinov. The message, addressed to the CPSU CC, the Supreme Soviet and the Council of Ministers of the Soviet Union, praised Marshal D. Ustinov's devotion to the cause Marxism-Leninism and peace and security in Europe and the world.

"The death of D. Ustinov is a great loss for the Soviet party, government, people and communists. It is the loss of a close militant friend to the Lao people and the world communists as well," wrote the message.

KAYSONE PHOMVIHAN RECEIVES SRV DELEGATION

BK241453 Vientiane KPL in English 0906 GMT 24 Dec 84

[Text] Vientiane, December 24 (OANA-KPL) -- Kaysone Phomvihan, general secretary of the LPRP CC and chairman of the Council of Ministers, received here yesterday Vu Quang, member of the CPV CC, head of its International Department, on a current visit to Laos. During the reception, Vu Quang expressed thanks to the Lao chairman for the warm welcome accorded to him and his delegation. He informed him of the result of his delegation's visit here, saying that it would contribute to the further development of the great friendship, special militant solidarity and all-round cooperation between the parties, governments and peoples of Vietnam and Laos.

For his part, K. Phomvihan highlighted the visit of the Vietnamese delegation, describing it as a stimulation for the Lao people in carrying out the resolution of the 6th Plenum of the party CC.

Also present at the meeting were Khamphai Boupha, member of the party CC, deputy head of its Foreign Relations Committee, and Nguyen Xuan, Vietnamese ambassador to Laos.

The Vietnamese delegation is due to leave here this afternoon.

Delegation Departs

BK270215 Vientiane Domestic Service in Lao 0000 GMT 25 Dec 84

[Text] A delegation of the CPV Central Committee's Foreign Relations Committee led by Vu Quang, member of the CPV Central Committee and chairman of its Foreign Relations Committee, left Vientiane for home on the afternoon of 24 December following a 5-day visit to our country. The delegation was seen off at the airport by Khamphai Boupha, member of the LPRP Central Committee and deputy chief of its Foreign Relations Committee, together with many cadres concerned. Nguyen Xuan, ambassador extraordinary and plenipotentiary of the SRV to Laos, was also on hand.

FOURTH INDOCHINESE COOPERATION SESSION CLOSES

Agreements Signed

BK271340 Vientiane KPL in English 0911 GMT 27 Dec 84

[Text] Vientiane, December 27 (OANA-KPL) -- "The fourth session of the Lao, Vietnamese and Kampuchean Commissions for Economic and Cultural Cooperation would further consolidate the cohesion and collective force of the three Indochinese countries and ensure the successful implementation of the tasks of national defence and construction in our respective countries," said Sali Vongkhamsao, secretary of the LPRP CC, vice-chairman of the Council of Ministers, and chairman of the State Planning Committee, in his closing speech here yesterday.

S. Vongkhamsao highly appreciated the cooperation agreements reached by the commissions during their four-day session, calling it a significant factor in the common efforts of the three countries towards better utilisation of their national resources.

A memorandum of the session and documents on economic and cultural cooperation between the three countries for 1985 were signed by Maisouk Saisompheng, Dang Thi and Tang Saroem, chairmen of the inter-governmental commissions for economic and cultural cooperation of Laos, Vietnam and Kampuchea respectively. Two agreements on economic and cultural cooperation between Laos, Vietnam, and Laos Kampuchea [as received] for 1985 were signed on this occasion by chairmen of the commissions of the three Indochinese countries.

The delegations of the Vietnamese and Kampuchean Intergovernmental Commissions for Economic and Cultural Cooperation left here yesterday. They were seen off at the airport by Maisouk Saisompheng, chairman of the Lao commission.

Kaysone Phomvihan Meets Groups

BK271316 Vientiane KPL in English 0906 GMT 27 Dec 84

[Text] Vientiane, December 27 (KPL) -- During his meeting yesterday with the delegates of the Lao, Vietnamese and Kampuchean Commissions for Economic and Cultural Cooperation, General Secretary Kaysone Phomvihan said that the 4th ordinary session of the three commissions was an initial success and that the most important thing was to effectively implement the conference's documents in their respective countries.

The Kampuchean delegation was headed, on the occasion, by Tang Saroem, minister of internal and external trade and chairman of the Kampuchean Inter-Government Commission for Economic and Cultural Cooperation, the Vietnamese delegation by Dang Thi, minister and chairman of the Vietnamese inter-governmental commission, and the Lao delegation by Maisouk Saisompheng, minister of industry, handicraft and forestry, and chairman of the Lao inter-governmental commission.

The head-delegates informed K. Phomvihan, who is also chairman of the Council of Ministers, of the results of the 4th ordinary session of the three commissions held in Vientiane recently.

For his part, K. Phomvihan expressed satisfaction over the success of the conference, saying that he hoped it would greatly contribute to further developing the special friendship, militant solidarity and all-round cooperation between the parties, governments and peoples of Laos, Vietnam and Kampuchea.

Also present at the discussion were Nguyen Xuan and Nguon Phansiphon, respectively Vietnamese and Kampuchean ambassadors to Laos.

PRASONG DENIES TROOPS PRESENT ON LAO SOIL

BK290446 Bangkok BANGKOK POST in English 29 Dec 84 p 6

[Text] National Security Council chief Sqn-Ldr Prasong Sunsiri yesterday dismissed claims by Vientiane that Thai troops are on Laotian soil. He was speaking after Laos' Permanent Secretary for Defence Thonglai Kommasit told visiting reporters in Vientiane that a Thai force remained on Laotian territory despite the withdrawal of troops from three disputed border villages. The NSC secretary-general insisted there were no Thai troops in the area but that there were Laotian forces.

Mr Thonglai claimed yesterday that a Thai force had set up at least eight garrisons 300-700 metres inside Laos. Demanding a peaceful settlement to the dispute, Mr Thonglai insisted that the 1979 Thai-Lao border agreement be respected. Asked about the use of Laotian radio and diplomatic missions for propaganda campaigns related to the dispute, the official said Vientiane was merely trying to explain the situation.

Sqn-Ldr Prasong rejected Mr Thonglai's claims, however, and said Thailand had tried to ease the situation which Laos had aggravated by sending in troops and forcing about 1,000 villagers to seek refuge in Thailand. The additional refugee burden did not include the daily influx of between 2,000 to 3,000 Laotians into Nong Khai and Nakhon Phanom, he said. If Vientiane was sincere in wanting the problem solved, a review of the 1904 Franco-Thai border treaty which unfairly defines the Thai-Lao border was needed, he added.

EDITORIAL COMMENT ON SRV OFFENSIVE IN KAMPUCHEA

BK270159 Bangkok THE NATION REVIEW in English 27 Dec 84 p 4

[Editorial: "After Six Years, Vietnam Goes for Total Occupation"]

[Text] It is not exactly known on which precise day Vietnamese troops crossed the Kampuchean border six years ago but it was sometime this week. The opposition to the Vietnamese forces was so weak that the troops sliced through the country and took Phnom Penh on Jan 17 [date as published], 1979. The Vietnamese would have occupied all of Kampuchea except for the Chinese invasion of Vietnam in February of that year allowing time for the Khmer Rouge to regroup and put up stiff opposition from Western Kampuchea. But all that is water under the bridge. During this period the United Nations General Assembly has demanded the withdrawal of Vietnamese troops, estimated at over 150,000, from Kampuchean soil -- this year's voting securing the highest majority. As expected, Vietnam has paid no attention to world opinion at all and has heightened her attacks against the resistance forces. One may well wonder what is the point of these resolutions. Apart from the fact that it shows that Vietnam is flouting world opinion, the resolutions also give a chance to small countries which cannot unilaterally condemn Vietnam, and by inference the Soviet Union.

China, which is the sole arms supplier to the resistance forces, has marked the sixth anniversary of the invasion by claiming that the guerrilla forces have stalemated the war, that the Vietnamese economy has collapsed and that the Hanoi regime has found itself on a "deadend street". There is a modicum of exaggeration in this but there is also some sound reasoning. The plight of Vietnam has to be taken along with that of the plight of the Soviet Union in Afghanistan. (The fifth anniversary of the Soviet occupation of Afghanistan falls today.)

Pouring a tremendous amount of money, men and war material into Afghanistan, the Soviet Union has also to underwrite the Vietnamese war in Kampuchea as well as Vietnam's economy. She has also other world-wide commitments. Even for a superpower there is a limit to how much it can achieve. And there is also the unconfirmed report that Moscow has set this dry season as the deadline for Vietnam to complete the occupation of Kampuchea, and as the scenario of the Vietnamese offensive unfolds one tends to believe that report.

Right on time when the monsoon ended, even before the ground was dry enough for the use of tanks and heavy artillery, the Vietnamese attacked the Nong Chan camp occupied by the forces loyal to Prime Minister Son Sann of the coalition government. Son Sann's men were reinforced by guerrillas from the Sihanouk camp and they were able to hold out for some time and then fall back on hit-and-run tactics. Now Ampil, the headquarters base of the Son Sann forces, is under an artillery barrage while Vietnamese tanks are attacking some of the satellite camps. Needless to say the influx of refugees entering Thailand number tens of thousands.

The Vietnamese are now attacking the soft part of the resistance forces because the tougher part is composed of the Khmer Rouge who are battle-hardened and masters of guerrilla warfare. During the coming weeks and months two questions will arise. The first is: Will the Khmer Rouge be able to stand up to an all-out Vietnamese attack? The second question will depend on the first: If the Khmer Rouge are severely mauled, what would China do? We sincerely hope that neither of these questions will have to be answered and that Hanoi will come to realize that she is fighting an unwinnable war and is "bleeding herself white". The alternative will have serious regional consequences with global impact.

ATHIT INSPECTS BORDER AREAS IN PRACHIN BURI

BK281507 Bangkok Domestic Service in Thai 1300 GMT 28 Dec 84

[Text] Supreme Commander and Army Commander General Athit Kamlang-ek spoke to reporters this evening after his inspection tour of the border areas in Prachin Buri Province. He said:

[Begin recording] [Athit] There has not yet been any large-scale fighting. The arrival of reinforcements indicate that the fighting inside Kampuchea will continue and might even be more violent. However, we continue to follow the situation. So far, it has not yet affected the country. Our forces must be vigilant and alert. We are not involved in the fighting between the Vietnamese-Heng Samrin troops and the Khmer resistance forces in the neighboring county. In case of a border intrusion, it is the duty of our troops to push the intruders out of our territory.

[Unidentified reporter] How are our soldiers?

[Athit] I can say that our soldiers have very good morale. They and their commanders are fully prepared and are strictly following our guideline. They can defend the country, and are always prepared to cope with any eventuality. I believe that the authorities -- military, police and civilian officials -- have been trying their best to carry out the duties assigned them by the people. The military, police, defense volunteers, rangers, and the people in the border areas have been cooperating with each other in the defense of the country. I have come here to give them moral support and convey to them best wishes from the fraternal people and government, in particular the prime minister. Although not all the people and government officials, including the prime minister, can visit them, they are concerned about our soldiers. It is my duty to look after them and do anything that will help the defense of the country. [end recording]

VNA CRITICIZES LE QUOC TUY PRESS CONFERENCE

OW291733 Hanoi VNA in English 1508 GMT 29 Dec 84

"On the Vietnamese Traitors Press Conference in Paris" -- VNA headline]

[Text] Hanoi VNA Dec 29 -- The recent trial held by the People's Supreme Court of the Socialist Republic of Vietnam in Ho Chi Minh City and the severe punishments meted out on the Le Quoc Tuy-Mai Van Hanh group of traitors have won the warm approval of public opinion in Vietnam and abroad. The trial was also a severe verdict against the Chinese expansionists and hegemonists and the ultra-rightists in the Thai ruling circles who have used the Vietnamese traitors to sabotage the efforts in peaceful construction of the Vietnamese as well as the other Indochinese peoples.

Faced with undeniable facts and pieces of evidence, all the defendants have pleaded guilty. The Chinese and Thai authorities have been unable to produce any alibi for their acts of commanding and supplying the Le Quoc Tuy-Mai Van Hanh gang. As for the United States, it also had to admit, though indirectly, the U.S. involvement in this conspiracy.

In the face of the angry condemnation by the Vietnamese people and progressive opinion in the world, on the afternoon of Dec. 27. Le Quoc Tuy, the ringleader, called a press conference in Paris in an attempt to plead for their crime of high treason. However, whatever he might say, Tuy has been unable to deny the crime of his gang of acting as agents for China and Thailand in opposing their own country. Broad sections of public opinion in Vietnam are following with great concern the fact that the ringleader of this counter-revolutionary, anti-national group still is allowed to live and publicly carry out his activities on French soil to oppose the national security of Vietnam. This obviously runs counter to the common aspiration of the Vietnamese and French peoples to constantly develop the friendly relations between the two countries.

DELEGATION RETURNS HOME FROM USTINOV FUNERAL

BK300802 Hanoi Domestic Service in Vietnamese 2300 GMT 29 Dec 84

[Text] The SRV Defense Ministry delegation led by Senior General Le Trong Tan, member of the party Central Committee, vice defense minister, and chief of the VPA General Staff, that went to the Soviet Union to attend the funeral of Marshal Ustinov, Soviet defense minister, returned to Hanoi on 29 December.

CUBAN MILITARY DELEGATION ENDS VISIT, DEPARTS

BK260249 Hanoi VNA in English 1555 GMT 25 Dec 84

[Text] Hanoi VNA Dec. 25 -- The delegation of the Revolutionary Armed Forces of the Republic of Cuba led by Division General Sixto Batista Santapa, alternate member of the Political Bureau of the Communist Party of Cuba Central Committee and head of the party CC's Military Commission, left here today after attending the celebration of the 40th anniversary of the Vietnam Army Day.

It was seen off at the Defence Ministry's guest house by General Hoang Van Thai, member of the party Central Committee, vice minister of defence; Senior Lieutenant General Tran Van Quang, vice minister of defence; Lieutenant General Nguyen Nam Khanh, member of the party CC, deputy director of the General Political Department of the Vietnam People's Army; Major General Vu Xuan Vinh, head of the Department for External Relations of the Ministry of Defence; and many officers and a representative of the Foreign Ministry.

Cuban Charge d'Affaires a.i. Pedro Luis Fornell and Military Attache Cecilio Diaz Medina were present on the occasion. While here, the delegation laid a wreath at the Ho Chi Minh Mausoleum, visited the late president's home and office here and called at various cultural establishments and army units.

NATIONAL DAY GREETINGS SENT TO CUBAN LEADERS

BK310419 Hanoi VNA in English 1458 GMT 30 Dec 84

[Text] Hanoi VNA December 300 -- Vietnamese party and state leaders today sent a joint message of greetings to Fidel Castro Ruz, first secretary of the Communist Party of Cuba [CPC] Central Committee and president of the Council of State and the Council of Ministers of Cuba, on the occasion of his country's 26th national day (Jan. 1).

The message, signed by Le Duan, general secretary of the Communist Party of Vietnam Central Committee; Truong Chinh, president of the State Council; and Pham Van Dong, chairman of the Council of Ministers, says:

"Over the past 26 years, the Cuban people, under the clear-sighted leadership of the glorious C.P.C. headed by Your Excellency, have overcome all difficulties and trials and foiled hostile schemes and acts one after another of the U.S. imperialists and their henchmen, firmly defending socialist Cuba, the outpost of the socialist community in the Western Hemisphere.

"They have also recorded very great achievements in national construction and economic and cultural development, thus making important contributions to strengthening the socialist community and to the world people's struggle for peace, national independence, democracy and social progress. With those great achievements and contributions, Cuba's international prestige has constantly risen.

"At present, the entire party, people, and Armed Forces of Cuba, under the slogan "Fatherland or death", are engaged in selfless labour, speeding up socialist construction, constantly consolidating and strengthening their national defence capability, heightening their vigilance, standing prepared to fight and foil adventurous schemes and acts of the U.S. imperialists.

"The Vietnamese people are very glad at and proud of the fraternal Cuban people's great achievements, regarding them as their own. We note with joy that the faithful and pure multiform relations between our two parties and peoples have been constantly consolidated and developed on the basis of the Vietnam-Cuba treaty of friendship and cooperation.

"We take this opportunity to reiterate to Your Excellency the Vietnamese people's militant solidarity with and full and firm support for the fraternal Cuban people's glorious revolutionary cause: And we firmly believe that under the leadership of the glorious C.P.C., the Cuban people will obtain even greater achievements in fulfilling the two strategic tasks set by the 2nd party congress as well as in discharging well their noble internationalist obligations towards fraternal nations, achievements to welcome the forthcoming 3rd party congress.

"Once again, we express our profound gratitude for the strong support and wholehearted assistance given by the party, the government and the people of Cuba, and Your Excellency in particular, to the Vietnamese people's revolutionary cause in the past and at present.

"May the militant solidarity, friendship and fraternal cooperation between Vietnam and Cuba be constantly consolidated and developed fruitfully".

The same day, Chairman of the National Assembly Nguyen Huu Tho sent a message of greetings to his Cuban counterpart, Flavio Bravo Pardo. Also on this occasion, Foreign Minister Nguyen Co Thach extended warm greetings to Isidoro Malmierca Peoli, minister for foreign affairs of Cuba.

COUNCIL OF STATE COMMUNIQUE ON 29 DEC SESSION

BK301456 Hanoi Domestic Service in Vietnamese 1430 GMT 30 Dec 84

[Text] The Council of State recently issued a communique saying that on 29 December 1984 the Council of State held a regular session under the chairmanship of Chairman Truong Chinh. Nationalities Council Chairman Hoang Truong Minh attended the session.

1. The Council of State heard the Council of Ministers briefing on the implementation of Resolution No 14 of the CPV Central Committee Political Bureau and Resolution No 127 of the Council of Ministers on socialist transformation in private industry and trade. The Council of State discussed and made suggestions about the need to continue to complete basic socialist transformation in private industry and trade in 1985 in order to serve production, life, and export and to contribute to carrying out satisfactorily the 1985 state plan and fulfilling the 5-year (1981-85) state plan.

2. The Council of State has decided to award the Ho Chi Minh Order and the Independence Order to a number of veteran revolutionary cadres and high-ranking cadres for their great contributions to the revolutionary undertakings of our party and people.

VO NGUYEN GIAP ATTENDS GEOTECHNICAL CONFERENCE

OW291752 Hanoi VNA in English 1513 GMT 29 Dec 84

[Text] Hanoi VNA Dec 29 -- The third national conference on geotechnology has been opened here under the joint auspices of the State Commission for Science and Technology, and the Associations of Builders, Geologists and Mechanics. It was attended by Vo Nguyen Giap, member of the Communist Party of Vietnam Central Committee and vice-chairman of the Council of Ministers; many professors, doctors and scientific workers representing various research centres, universities and colleges, and central and local production establishments.

The conference reviewed considerable achievements recorded by scientific workers in geotechnology over the past 16 years, especially their services to socialist construction and national defence. It highly valued research projects which had been applied with high economic efficiency in capital construction, industry, water conservancy, communications and transport.

More than 140 scientific papers have been presented at the conference. They dealt with various geotechnological aspects and brought out initial results of research projects on designing, construction, restoration and repair of major building projects' foundation and underground structure.

The conference also discussed measures to promote cooperation between various scientific branches and institutions relating to geotechnology, and between Vietnam and socialist and friendly countries and international organizations on this subject.

MALAYSIAFOREIGN MINISTRY ON SOVIET ROLE IN AFGHANISTAN

BK271535 Kuala Lumpur Domestic Service in English 1330 GMT 27 Dec 84

[Text] Malaysia has again appealed to the Soviet Union to respond positively to the calls by the United Nations, the Nonaligned Movement, and the Organization of Islamic Conference for a peaceful solution to the Afghan problem. The deputy minister of foreign affairs, Encik Kadir Sheikh Fadzir, reiterated Malaysia's appeal in a statement issued in Kuala Lumpur this evening in conjunction with the 5th year of Soviet presence in Afghanistan. He also appealed to the international community to give its continued support to the struggle of the Afghan mujahidin.

Encik Kadir said it was the responsibility of every nation which believed in justice to ensure that their struggle against Soviet aggression and occupation was successful. Malaysia, he said, applauds the courage of the mujahidin for having withstood the Soviet intrusion from the beginning. Despite progress by the UN secretary general to find an honorable political solution to the problem, the Kabul regime has stepped up its attacks on the Afghan mujahidin. This was a reflection of the indifference and total disregard to the call by the international community.

The deputy foreign affairs minister went on to say that the Soviet action was a clear example of superpower intervention and interference in the internal affairs of a small nonaligned nation. The invasion was a blatant violation of the principles of respect for the independence, sovereignty, and territorial integrity of Afghanistan. It also represented a serious threat to world peace and security. Due to this, the international community cannot remain silent.

SINGAPORENEW CABINET APPOINTMENTS ANNOUNCED 31 DEC

BK311022 Singapore Domestic Service in English 1000 GMT 31 Dec 84

[Text] The new cabinet lineup was announced today. Among the changes Mr Goh Chok Tong has been elevated to the post of first deputy prime minister, while Mr Ong Teng Cheong becomes the second deputy prime minister. Mr Goh will also retain his defense portfolio and will act as prime minister when Mr Lee Kuan Yew is away.

Mr Ong Teng Cheong, who was minister without portfolio in the former cabinet, will act as prime minister when both Mr Lee and Mr Goh are absent or unable to act. Mr Ong will not have any portfolio. He will continue to serve in the National Trade Union Congress.

In the cabinet lineup, the former deputy prime minister, foreign affairs, Mr S. Rajaratnam, is now senior minister, Prime minister's office, after Mr Lee Kuan Yew as prime minister.

Following Mr Goh and Mr Ong in the new cabinet, Mr E.W. Barker, minister for law; Mr Teh Cheong Wah, minister for national development; Mr S. Dhanabalan, minister for foreign affairs and the new minister for community development. After Mr Dhanabalan comes Dr Tony Tan who is minister for finance, education, and health. Dr Ahmad Mattar, minister for the environment; Dr Yeo Ning Hong, minister for communications and information, second minister for defense, and second minister for national development. The former labor minister, Mr S. Jakakumar, is now minister for home affairs and second minister for law, followed by the new MP for Kreta Ayer, Richard Hu as minister for trade and industry.

MINISTER OPLE DISCUSSES NOMINATING MRS MARCOS

HK290140 Manila Far East Broadcasting Company in English 2300 GMT 28 Dec 84

[Text] Labor Minister Blas Ople yesterday [28 December] said he would nominate the first lady, Mrs Imelda Marcos, as a KBL [Kilusang Bagong Lipunan] candidate for the 1987 presidential elections if President Marcos will not seek reelection. He said the first lady has accomplished many projects for the government as human settlements minister and Metro Manila governor and enjoys the support of KBL leaders and members. Minister Ople spoke before a press conference sponsored by the National Press Club. Others qualified to run for the presidency, according to him, include Minister Cesar Virata and Defense Minister Juan Ponce Enrile.

BUTZ AQUINO PLANS TO BE PRESIDENTIAL CANDIDATE

HK310308 Hong Kong AFP in English 0237 GMT 31 Dec 84

[Text] Tokyo, Dec 31 (AFP) -- Agapito "Butz" Aquino, younger brother of the slain Philippine opposition leader Benigno Aquino, today told Japanese television he planned to stand as a candidate for the 1987 Philippine presidential election. He said he would "not evade responsibility to run as a candidate in the 1987 presidential election" if he were chosen as an agreed candidate by opposition camps.

In an interview with the Japanese national broadcasting corporation NHK, Mr Aquino, 45, said the political situation in the Philippines had been unstable and might eventually "trigger a state of emergency or produce a political vacuum." Mr Aquino, who was in Tokyo on his way home from the United States, called for the Philippine opposition to put up a single candidate for the election in order to establish a democratic system in the Philippines. His brother, a political arch-rival of President Ferdinand Marcos, was assassinated in August last year on his return from voluntary exile in the United States.

KYODO: MARCOS FAILS TO APPEAR AT RIZAL CEREMONY

OW310539 Tokyo KYODO in English 0530 GMT 31 Dec 84

[Text] Manila, Dec. 31 KYODO -- For the first time in 19 years, an apparently ailing President Ferdinand Marcos failed Sunday to perform a publicised flag raising ceremony on the 88th anniversary of the execution of the nation's national hero, novelist and eye surgeon Jose P. Rizal. The day also marked the 19th anniversary of Marcos' inauguration as president at the same site, Rizal Park, on December 30, 1965. Philippine presidential inaugurations are always timed to coincide with Rizal Day.

Sunday morning newspapers announced that President Marcos and his family would as usual perform the dawn ceremony honoring the symbol of Filipino nationalism who was executed by a Spanish colonial firing squad in 1896 for alleged anti-Spanish subversion. The presidential palace spokesman said later he did not know why Marcos stayed away, but said the president's family had requested Prime Minister Cesar Virata to raise the flag and take the salute.

Newspapers and television gave prominence Saturday and Sunday to photographs and film which the palace said were taken Saturday of Marcos putting on a golf green in the palace grounds. He wore heavy winter clothing while the personal friends around him wore summery short pants and short-sleeved shirts. Rumors that Marcos' health may be failing have circulated since he virtually disappeared for three weeks from mid-November. His aides explained he had symptoms of flue and asthma and said he was kept in "reverse isolation" to avoid spreading the germs to others. His appearances since mid-November have been rare, and invariably within the presidential palace.

VER GIVES ASSURANCE OF NO MILITARY TAKEOVER

HK300044 Manila Far East Broadcasting Company in English 2300 GMT 29 Dec 84

[Text] Armed Forces Chief of Staff General Fabian Ver, who is on leave, has given his personal and official assurances that there will be no planned military takeover in any form. He gave the assurance in a speech at the induction ceremonies of the (Anakbayan) Lions Club of Quezon City. The general's assurances came in the wake of persistent fears expressed here and abroad about a military takeover should the president be incapacitated. At the same time, he urged support of the armed forces and its acting chief of staff, Lieutenant General Fidel Ramos, particularly in the drive to purify, discipline, and strengthen the ranks of the armed forces.

VIRATA SIGNS ASIAN DEVELOPMENT BANK LOAN

OW290028 Quezon City RPN Television Network in English 1100 GMT 28 Dec 84

[From the "Newswatch" program]

[Text] The Philippines has once again obtained a \$145.9 million loan from the Asian Development Bank [ADB] to finance an agricultural and two energy projects. The loan agreement was signed today by Prime Minister Cesar Virata and ADB President (Masao Fujioka) at the ADB Headquarters in Manila. David Nye has the details:

[Begin recording] [Nye] A loan of \$27.9 million will finance the cost overrun of the Alah River irrigation project, located in the two adjoining provinces of Sultan Kudarat and South Cotabato in Mindanao. The project is expected to contribute to the government's aim of expanding food production, ensuring sustained self-sufficiency in food grains, and promoting balanced regional development. About 7,750 farm families will directly benefit from the project's irrigation facilities.

With the Philippine National Oil Company [PNOC] as borrower the supply and distribution of energy in the country will be enhanced under an \$85 million loan and two technical assistance grants. The financial assistance will support a wide-ranging project covering petroleum refining, coal mining, and shipping. The two technical assistance grants will finance studies for rationalizing the country's refinery sector and for formulating institutional strategies for PNOC.

Meanwhile Central Bank's [CB] Senior Deputy Governor Gabriel Singson said that 1984 was generally a good year for the CB, primarily because painstaking negotiations with the IMF, foreign creditor banks, and the Paris Club paid off handsomely.

[Singson] Contrary to speculations that the exchange rate of the peso to the dollar will reach even say 22 pesos to a dollar, then you assume the full floating rate on October 15. Now, it's only 19 pesos and 76 centavos, so I think that is a very significant accomplishment on the part of the Central Bank.

[Nye] Singson also said he spoke to Governor Jose Fernandez, who is in New York City, over the phone last night, and Fernandez indicated that talks on the finalization of the documentation for the new money and trade facilities will begin with the country's 12-bank advisory committee next week. [end recording]

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